

# Budget Guidelines - Appendix D-1 2025-26 Budget Review Checklist

District Name:

Completed By:

## Edits:

| **Edits Review Item** | **Check if Reviewed** |
| --- | --- |
| The Warning Edit report with written explanations has been reviewed by the county office. District has submitted explanations for all edits, and no further changes appeared to be needed in the budget to address these items. |  |

## School Funding Reform Act (SFRA) Calculations:

### Report of District Status

| **Report of District Status Review Item** | **Check if Reviewed** |
| --- | --- |
| If district budgeted Adequacy Spending is “Above Expected Local Levy” — explanation(s) provided appear reasonable. |  |
| For April election districts – district is aware of the statutory additional wording required in the sample ballot and notice of public hearing. |  |

### Tax Levy Cap Calculation (No data entry required on this form – amounts flow from SFRA reports below)

| **Tax Levy Cap Calculation Review Item** | **Used in Budget (Enter Yes or No)** | **Check if Reviewed** |
| --- | --- | --- |
| **Line (A) *Adjusted Prebudget Year Tax Levy and Enrollment Adjustment***   * If the District is requesting to calculate the Enrollment Adjustment using a weight of 1.0 (full enrollment growth) rather than the phased-in rates, the district has submitted the required information listed in the Budget Guidelines section III.D.i.3. * If the District is requesting a review of the P.L.2020, c.44 adjustment amount based on special circumstances, the district has submitted a detailed explanation of the unique circumstances for changes in health care plans; a detailed calculation of the revised amount for the adjustment; and supporting information documenting the explanation and the amount. |  |  |
| **Line (B)** ***Adjustment for Increase in Health Care Costs***   * Fiscal Year 2024-25 budgeted costs are net of employee withholding. * Fiscal Year 2025-26 budgeted costs are net of employee withholding. * Amounts for dental and vision costs recorded in object 270 accounts have been entered on lines A2 and B2. * Required supporting details listed in section III.D.i.4 of the Budget Guidelines have been submitted with the budget. |  |  |
| **Line (C)** ***Adjustment for Deferred Pension Contribution* (No data entry required on this form):**   * Amounts budgeted are less than the total deferred PERS payments for the district, as reported in the 2024 Annual Report by the Actuary for the PERS system on the Department of Treasury website at [Division of Pensions and Benefits Financial Reports](https://www.state.nj.us/treasury/pensions/financial-reports.shtml).   Any amounts budgeted in general fund for deferred PERS payments are supported by documentation as listed in section III.D.i.5 of the Budget Guidelines. |  |  |

### Minimum Tax Levy - no data entry is required on this form.

### Separate Proposals - see separate forms for ECS/ECBO review.

## Revenues:

| **Revenues Review Item** | **Check if Reviewed** |
| --- | --- |
| **Lines 300, 350, 380 & 390**: Miscellaneous general fund revenues appear reasonable vs. prior years’ trends (i.e.: ACFR, Exhibit J-5). (***See Support Doc - Unusual Revenues and Appropriations*** for any items that may be considered unusual.) |  |
| **Lines 520, 745, 765, 825**: Other restricted and unrestricted revenues appear reasonable and are properly classified and recorded. |  |

|  |  |
| --- | --- |
| **Revenues Review Item** | **Check if Reviewed** |
| **Line 540 SEMI: *(See SEMI Screen)***   * The district has budgeted the appropriate amount of SEMI revenue (at least 90% of revenue projection) or has submitted and received approval by the ECS for either a waiver from participating in the program or to use an alternate revenue projection. * Waiver request, if applicable, has been reviewed by the County Office. * CAP, if applicable, has been reviewed by the County Office. |  |
| **Grants and Entitlements** (i.e. IDEA/Title I): Budgeted amounts appear reasonable. |  |
| If Capital Reserve withdrawal is budgeted on lines 600 or 620, then ***Capital Projects and Reserve Screen*** was completed for project details. |  |

## Detailed Recapitulation of Balances (see detailed instructions in section III.C.iii in the budget guidelines):

| **Recap Review Item** | **Used in Budget (enter Yes or No)** | **Check if Reviewed** |
| --- | --- | --- |
| 1. **Unassigned**  * The amount on line 5 "additional balance to be appropriated after February 1", column 2024-25, has been reviewed, appears reasonable and contains amounts which are approved/approvable under *N.J.A.C.* 6A:23A‑13.3. * The amount on line 6 "additional balance anticipated after February 1", column 2024-25, has been reviewed and is a reasonable estimate of surplus that will be generated from February 1 to end of year. (Review and compare to the ACFR historical trend.) * The amount on line 7 “anticipated June 2025 transfers to reserves” has been reviewed. To make this transfer, this will require a board resolution between June 1 and June 30, pursuant to *N.J.S.A.* 18A:7F-41 and *N.J.A.C.* 6A:23A-14.3. |  |  |
| 1. **Restricted - Legal Reserve**  * Audited excess surplus on line 14, required to be budgeted in 2024-25 or 2025-26, has been reviewed and compared to the ACFR. (Note: These amounts are preloaded from entries in the district’s Audsum. No data entry is allowed on this line in budget.) (i.e.: 6/30/24 audited excess surplus; unspent funds from separate proposals, other legal reserves). * Those districts reflecting legal reserve balances at June 30, 2026 (line 19 in 2025-26 column) have provided sufficient support for those amounts and their propriety has been challenged by the ECS. |  |  |
| 1. **Restricted - Capital Reserve**  * Column 2025-26, Line 29 — If an amount is entered, then the description of the designation entered in the “comments” column has been reviewed. * Column 2025-26, Lines 31 & 32 — If budgeting a withdrawal from capital reserve for excess costs or other capital projects which would not otherwise be eligible for the state share, the district has included a separate statement of purpose in the advertised budget. The statement of purpose has been reviewed. |  |  |
| 1. **Restricted - Tuition Reserve**  * The amount budgeted for withdrawal from tuition reserve in 2024-25 on lines 71 and 72 is the amount that was deposited into the tuition reserve in June 2023. Line 71 contains the amount that was used to fund tuition adjustments (tuition adjustments column on supporting calculation worksheet for tuition) and line 72 contains the amount in excess of what was used to fund tuition adjustments. * The amount budgeted for withdrawal from tuition reserve in 2025-26 on lines 71 and 72 is the amount that was deposited into the tuition reserve in June 2024. Line 71 contains the amount to be used to fund tuition adjustments (tuition adjustment column on supporting calculation worksheet for tuition) and line 72 contains the amount in excess of what is to be used to fund tuition adjustments. |  |  |
| 1. **Restricted - Current Expense Emergency Reserve**   If withdrawing from Emergency Reserve in 2025-26, the withdrawal is necessary to meet an increase in total health care costs greater than four percent, or to finance school security improvements. (Note: These are the only permissible withdrawals for the budget year column.) |  |  |

## Appropriations:

| **Appropriations Review Item** | **Check if Reviewed** |
| --- | --- |
| Review significant changes and explanations (± 4%) for reasonableness; and for possible reductions, reallocations, and/or efficiency improvements. |  |
| The state facilities tuition amount on appropriations line 29140 agrees with the amount on the State Facilities Tuition notice. |  |
| Benefits lines: The amount budgeted for PERS contribution on Line 71060 appears reasonable. |  |
| Salary lines & FTE: District confirms that they have budgeted sufficiently for all current and projected staff, and if applicable, estimated costs for expired/expiring contracts. |  |
| Charter Schools: Those districts with resident students included in the projected attendance figures for charter schools have properly budgeted the transfer of general fund support on line 84000. |  |
| If a district has entered into a lease purchase agreement or bond financing agreement to fund equipment under an Energy Savings Improvement Program (ESIP), appropriations have been budgeted properly on lines 49100, 49300, and 49320. |  |
| Appropriations have been provided for an adult high school program when the district has reported adult high school enrollment on the Application for State School Aid. |  |
| Transfer to Enterprise Fund to Cover Deficit on line 72000 has been reviewed. |  |

### Position Control Roster:

| **Position Control Roster Review Item** | **Check if Reviewed** |
| --- | --- |
| At a minimum, such roster must:   1. be organized by GAAP code; 2. Include position control number where applicable; 3. show all staff and their respective salary costs, including base pay, stipends, OT, etc. charged to each respective GAAP accounts; 4. show vacancies from February 1 and whether to be filled in 2024-25; and 5. show new hires for 2025-26. |  |
| Total salaries by account in PCR are totaled by and reconcile to budgeted amounts for salaries (substitute salaries may be included in PCR or accounted for separately). |  |

### Tuition Revenue and Appropriation Worksheets:

| **Estimated Tuition Review Item** | **Check if Reviewed** |
| --- | --- |
| Tuition worksheets for tuition revenues and/or appropriations are included in the budget submission. |  |
| Tuition worksheets reconcile to the budgeted tuition amounts, including that, per sample testing, student counts appear reasonable vs. Enrollment Projections and Tuition Rates/costs appear verifiable. |  |
| The send and receive districts have agreed upon the number of students and the tuition rate to be charged. |  |
| Tuition worksheets include the use of IDEA funding. Entries are split between IDEA and general fund, as necessary. |  |

## Preschool Education Aid:

| **PEA Review Item** | **Check if Reviewed** |
| --- | --- |
| PEA is budgeted properly. The amount budgeted agrees to the budget approved by the Division of Early Childhood Services (if available at the time of budget preparation). |  |
| If total funding for Preschool (General Fund contributions, prior year carryover, tuition, and current year PEA) is greater than the budgeted appropriations for preschool, then the amount budgeted for current year PEA has been reduced from the State Aid allocation so that budget is balanced (Flows to Line 760 on the Revenue screen). |  |
| Prior Year PEA Carryover is budgeted if anticipated as available in the ACFR at June 30, 2024 (the total amount of audited June 30, 2024 carryover (line (8) of the E-2 schedule of the June 30, 2024 ACFR), plus any anticipated carryover from 2024-25. (Flows to Line 755 on the Revenue screen) |  |
| Kindergarten costs appear to be fully budgeted in the General Fund. |  |
| If district has mainstreamed students, a transfer from general fund to PEA has been budgeted (both 2024-25 and 2025-26). Edits test if students are entered with no transfer amount. If both transfer and students are blank, review to ensure proper budgeting. |  |

## Capital Projects and Reserve:

| **Capital Projects and Reserve Review Item** | **Check if Reviewed** |
| --- | --- |
| A detailed budget for each project is included, which includes only construction, remodeling, etc., but no equipment. |  |
| Justification for the project(s) inclusion in budget year is included. |  |
| A narrative is included for each intended use of Capital Reserve funds, and it appears reasonable. |  |
| Audited fund balance in Capital Projects Fund has been reviewed for possible transfer to general fund after completion of projects. *(See guidelines for explanations of options under various types of projects.)* |  |
| The local share of all current projects approved by the Office of School Facilities has been properly budgeted. |  |

## Appropriation of Excess Surplus:

| **Appropriation of Excess Surplus Review Item** | **Check if Reviewed** |
| --- | --- |
| The amount entered on Line A1 "Federal Impact Aid Adjustment" is not greater than the total of revenue lines 531 and 532 in 2024-25 less any balance transferred to the Impact Aid Reserves in 2024-25. |  |
| If an amount is entered on Line A2 "Reserved Fund Balance Beyond 2025-26", then the Board Resolution and rationale has been reviewed and appears reasonable. |  |
| Line A3 "School Bus Advertising Fee Adjustment" contains the reserve for shortage if at least 50 percent of school bus advertising revenue was not used to offset the fuel costs of providing pupil transportation services. |  |
| If an amount is entered on Line A4 “Other DOE Approved Adjustments”, the amount has been reviewed. For 2025-26 budget, no amounts can be entered on this line. |  |

## Supporting Documentation:

### Statement of Priorities and New Jersey Student Learning Standards

**-** see separate form for ECS/Educational Specialist Review

### Contract Information for Select Staff:

| **1/1/2025 Contract Information for Select Staff Review Item** | **Check if Reviewed** |
| --- | --- |
| ***Teacher Contract Screen:*** Amounts are entered for teacher contracted benefits. |  |
| ***Employee List Screen:*** 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 is listed, and entries agree to contract.   * Shared Services: If the district is the employer district, then the total amount of the contract is reported. If the district is the receiver of shared services, then the line is completed as “shared service” for the applicable job title, and the total amount paid under the agreement is reported in the “additional information” column. |  |
| ***Employee Benefit Detail Screen:*** Amounts entered are appropriate and agree to the contract. Even if $0 is entered in Post-Employment Benefits, an appropriate description is entered. |  |

### Per Pupil Costs:

| **Per Pupil Costs Review Item** | **Check if Reviewed** |
| --- | --- |
| The Per Pupil Costs report has been reviewed. Upward or downward trends in detail categories appear reasonable. |  |

### Administrative Cost Limit:

| **Administrative Cost Limit Review Item** | **Check if Reviewed** |
| --- | --- |
| **2025-26 Per Pupil Administrative Cost is within the allowable limit**  The lower of the:   1. the district’s adjusted, as of February 1, per pupil administrative cost for 2024-25 or; 2. the 2025-26 per pupil administrative cost limit for the district’s region, inflated (regional limit).   If district is under the regional limit and submits a request to exceed the district’s adjusted February 1 per pupil administrative cost for the current year by up to 2.5% or the CPI (3.57%), whichever is greater, the required justification/documentation is provided and appears to justify the increase. |  |

### Employee Benefits Summary:

| **Employee Benefits Review Item** | **Check if Reviewed** |
| --- | --- |
| Amounts budgeted for benefits appear reasonable. |  |

### Shared Services:

| **Shared Services Review Item** | **Check if Reviewed** |
| --- | --- |
| The shared services screen has been completed and lists the district's shared services arrangements. If none are reported in the budget, an explanation of the reason for no shared services is provided. |  |

### Unusual Revenues and Appropriations:

| **Unusual Revenue and Appropriations Review Item** | **Check if Reviewed** |
| --- | --- |
| Review and follow-up/inquire on any unusual items noted, if necessary. |  |
| Only amounts that appear to be unusual revenues and appropriations have been entered on this report. “Unusual” refers to those items that are not expected to be used or earned in the normal course of operating a school district. Refer to the budget guidelines section III.E.vii for examples of unusual revenues/appropriations. |  |

### Equipment

| **Equipment Review Item** | **Check if Reviewed** |
| --- | --- |
| Review descriptions of, and justifications for inclusion, to ensure that only equipment is listed, and amounts appear reasonable and necessary. In the description of the equipment, ensure quantity of items has been indicated. Refer to [Chart of Accounts](https://www.state.nj.us/education/finance/fp/af/coa/) Appendix B for criteria distinguishing supplies from equipment, including capitalization threshold of $2,000 per unit. |  |

## Other Areas of Review:

### Enrollment Projections:

| **Enrollment Projections Review Item** | **Check if Reviewed** |
| --- | --- |
| District projection appears comparable to the prior year(s) and latest ASSA report(s). |  |
| District has submitted an explanation for each enrollment category. |  |
| Adequate supporting documentation/justification is provided for projected District enrollment. For projected growth that is outside of the growth range projected by DOE based on historic ASSA counts, an explanation has been included in column L. |  |

### Estimated Tuition Calculations:

| **Estimated Tuition Review Item** | **Check if Reviewed** |
| --- | --- |
| On the "Rates for All Programs" report, if the district has entered ADE amounts on the line "ADE Entered by District" these enrollments have been reviewed and approved. (Reminder – entry on this line requires entry in all columns of the worksheet, even if the entry is the same as the DOE projection.) |  |

### Secondary Bond Market Continuing Disclosure Requirements (LFN 2014-9):

| **Secondary Bond Market Disclosure Review Item** | **Check if Reviewed** |
| --- | --- |
| If the district has issued bonds:   * Appropriate steps are being taken to ensure compliance with continuing disclosure requirements. * Fund 40 appropriations appear to include all payments due on outstanding bond issues. * The district has applied for Debt Service Aid for new bond issues. |  |

### A4F:

| **A4F Review Item** | **Check if Reviewed** |
| --- | --- |
| The district has recorded taxes as (check as applicable): |  |
| Split Year |  |
| Fiscal Year |  |
| Amounts recorded as adjustments appear reasonable. |  |
| If taxes are raised on a split year, the “Balance of levy from 2024-25 to be raised in 2025” (current year column 3) agrees with the signed A4F from the 2024-25 school year “Amount Deferred to 2025 Levy” (prior year column 6) |  |
| If taxes are raised on a split year, the district has worked with the municipality and the tax board regarding the amount of the split. District should provide evidence of the agreement regarding the split taxes. |  |
| If the district is presenting a separate proposal to the voters at the budget election, the district has worked with the municipality and the tax board regarding the collection of the taxes, including the timing. District should provide evidence of the discussion regarding the amount and timing of the collection. |  |
| For regional, merged, or consolidated districts, the percentage allocations to each municipality agree with the State Aid printout or consolidated district approved percentages. |  |
| If the district had a 2025-26 separate proposal passed at a prior special election, the amount to be raised has been reported in the A4F line 3. |  |

**Name of Reviewing ECBO:**

**Name of Reviewing ECS:**

**Date:**

## Notes: