

## Taxpayers' Guide to Education Spending – July 2012

### Introduction

The Taxpayers' Guide to Education Spending (Taxpayers' Guide) provides officials and the public the opportunity to view and compare all dollars spent on students for which public schools must provide services. Since previously reported per pupil costs did not include all expenditures, the Department has created a new variable that includes the total amount that is actually spent on students from preschool through grade 12. The "Total Spending" calculation enhances the Budgetary Per Pupil Cost (formerly known as the Total Comparative Cost) by adding previously omitted categories of spending. Specifically, the Department added the following expenditures to arrive at the total spending number: transportation, special revenues, pension and benefits paid by the state, facilities (including debt service), equipment, total food services, judgments against the school district, and tuition/costs for students sent out of district (except payments to Charter schools). Consistent with the decision to include tuition for students sent out of district, the associated students are added to the enrollment denominator.

In addition to the new total spending measure, the Budgetary Per Pupil Cost Indicators are included to allow districts to review and compare various components of a school district's annual budgeted data with other districts in the state through a series of "indicators" presenting costs on a per pupil basis. The Budgetary Per Pupil Cost is the amount that districts publish in their User-Friendly Budgets prior to the school election. It was formerly called the "Total Comparative Cost." Unless otherwise noted in the indicator descriptions, districts are ranked from lowest to highest costs.

To increase comparability, the school districts have been divided into groups based on operating type and projected enrollment as of October 15, 2011. Charter schools are included as a separate group from other public schools. The categories are as follows:

<b><u>Operating Type</u></b>	<b><u>Enrollment Range</u></b>	<b><u>Number in Group</u></b>
K-6	All	60
K-8	Less than 400	67
K-8	401 – 750	65
K-8	Over 750	87
K-12	Less than 1,800	47
K-12	1,800 - 3,500	67
K-12	Over 3,500	106
Grades 7-12 & 9-12	All	47
<b><u>Other:</u></b>		
County Special Services	All	8
County Vocational	All	21
Charter Schools	All	77

## Total Spending Per Pupil

Total Spending Per Pupil was developed for the first time in FY 2011 to provide a more inclusive representation of district expenditures including state expenditures on behalf of the districts. This variable uses a larger enrollment number than is used for the budgetary cost indicators. In addition to the items included in the Budgetary Per Pupil Cost (Indicator 1), this more complete number incorporates the following:

1. pensions and social security payments made by the state on behalf of districts;
2. transportation costs (including costs for students transported to nonpublic and charter schools);
3. judgments against the school district;
4. all food services expenditures (including those covered by school lunch fees);
5. capital outlay budgeted in the general fund (facilities and equipment);
6. special revenues supported by local, state, and federal revenues (such as preschool, IDEA, and Title I);
7. payments by the district to other private and public school districts for the provision of regular, special, and preschool education services (charter school students and their associated costs are only included in the charter school in which they are being educated).
8. debt service for school debt; and
9. an estimate of the district's share of the debt service that the state is paying for school construction bonds issued for school construction grants and School Development Authority projects.

The number of students sent to other entities (except charter schools) is added to the district's average daily enrollment in order to calculate the per pupil expenditures. It should be noted that sent students and their associated costs are included in the per pupil cost of both the sending district, as well as the school where the student is actually being educated. Therefore, it is not appropriate to sum all districts' total expenditures, as this would overstate the aggregate cost. This variable is calculated using audited (actual) data since some of the additional categories are not available in districts' budgets. Two years of data are provided for comparison.

## Vital Statistics Section

The **Vital Statistics Section** is a summary of the most recent audited financial data, with relevant staffing and student information. The statistics are derived from data collected by the Department for the 2010-11 school year. The total spending per pupil represents the 2010-11 per pupil expenditures as detailed in the Total Spending Per Pupil description.

The percentage breakdown for total revenue sources is derived primarily from district reported audit summary data (2010-11), as certified by the districts' independent auditors. Debt service revenues for Type I districts were taken from district submissions to the state's debt service data collection. For this summary, each district's revenues were attributed to one of five possible revenue sources: state, local, federal, tuition, use of fund balance, and other. State sources include all state aid revenues in the general fund, special revenue fund and debt service fund. Local sources, raised through local taxes and fund balance (surplus), include revenues from both the general fund and debt service fund. Federal sources include revenues in the general fund as well as special revenues. Tuition revenues are those received from other school districts or individuals (includes tuition for preschool and academic summer school programs).

Staffing ratios are derived from enrollment data from the October 15, 2010 actual enrollment counts in the Application for State School Aid with classroom teacher, educational support and administrative personnel coming from data collected from the districts in the Fall Certificated Staff Report. In the Fall Certificated Staff Report, districts provide the department with information regarding each employee who holds a certificate issued by the State Board of Examiners, including an allocation of their time spent by job description codes, and total salary paid. This job code information provided was used to calculate all three ratios - students to classroom teachers, students to educational support, and students to administrative staff. Teachers include certificated instructional staff and support staff includes educational support services positions. For instructional staff, job codes for actual classroom instruction were used. Educational support services positions include the job codes for counselors, librarians, nurses, child study team members, and other educational support services personnel. Administrative staff calculations include the job codes for chief school administrator, assistant superintendents, school business administrator, principals, assistant principals, supervisors, coordinators, and directors. Non-certificated personnel in each of the three categories (such as aides or clerical support) are not included in the calculations.

The last column in the **Vital Statistics Section** includes the percentage of students in the district who are classified for special education services, regardless of placement or the quantity of required accommodations. The percentage includes all students for which the district is financially responsible – whether they are mainstreamed, placed in self-contained classes, or sent out of the district. The intent of this statistic is to provide some perspective on the potential impact of special education pupils on the overall cost per pupil when comparing districts.

## Budgetary Per Pupil Costs

### Overview

The [Budgetary Per Pupil Cost](#) (BPP Cost) section contains the Budgetary Per Pupil Cost and its subcomponents as they are reported for districts' User Friendly Budgets (required by N.J.S.A.18A:22-8a). While these costs do not provide a complete picture of the total cost of providing educational services to all students, they do allow school administrators and citizens to compare specific measures of school district spending. As previously stated, there are significant differences between the Budgetary Costs and the Total Cost. Only those costs that were considered to be similar among districts were included in the budgetary per pupil cost calculations. Examples of excluded costs are: expenditures funded by restricted grants, Teachers' Pension and Annuity Fund (TPAF), tuition payments to other districts and private schools, debt service expenditures and the principal and interest payments for the lease purchase of land and buildings. Consistent with the decision to exclude tuition for students sent out of district, the sent students are not included in the enrollment used for the BPP cost calculations. It should also be noted that budgetary costs for non-operating districts, Educational Services Commissions, Regional Day Schools, and Jointures are not included in this document.

Three separate schedules titled "Summary of 2009-10 Actual Totals," "Summary of 2010-11 Actual Totals," and "Summary of 2011-12 Original Budgeted Totals" are included in this document to give the reader a summary of the various pieces of a district's general fund budget for each of the three years. For simplicity, only the total costs for each indicator are presented along with the enrollment data. Since the 2010-11 enrollment figures used to calculate per pupil costs in last year's Taxpayer's Guide were *projected*, and the current Budgetary cost utilize the *actual* 2010-11 enrollment to calculate per pupil costs, a district's relative ranking and cost per pupil from the prior year's guide may have changed for 2010-11.

For each of the following per pupil cost indicators, the 2009-10 and 2010-11 per pupil costs represent the total audited expenditures in the applicable categories as explained in the indicator description divided by the average daily enrollment for the corresponding school year. The 2011-12 per pupil cost represents the total budgeted appropriations in the applicable categories divided by the projected total pupils on roll as of October 15, 2011. Each subcomponent of the budgetary cost is shown as a percentage of the total budgetary cost (Indicator 1). Similarly, indicators that include salary and benefits are shown as a percentage of the budgetary cost.

### Data Sources

**Enrollment Data:** The enrollment used to calculate the per pupil costs are from the 2009-10 and 2010-11 School Register Summaries (SRS) submitted by districts for each of those years, and the October 2010 projected enrollments included in the districts' 2011-12 annual budget certified for taxes. The data reported in the 2009-10 and 2010-11 SRS were used to calculate an average daily enrollment (ADE) for the district for the 2009-10 and 2010-11 school years, respectively. The districts' projected enrollments as of October 2011 were used to calculate the 2011-12 per pupil costs. Although the enrollment data are not consistent for all years, the information is the best available and is considered comparable for calculating per pupil costs. Other information regarding staffing levels and median salaries is derived from the Fall Certificated Staff Report (an annual collection of personnel demographic data).

**Expenditure Data:** Three years of data are presented: 2009-10 and 2010-11 actual amounts and 2011-12 budgeted amounts. The 2009-10 and 2010-11 actual expenditure data originate from the districts' Comprehensive Annual Financial Reports that were certified by the districts' public school accountants in each of those years. The 2011-12 budgeted appropriation data use the districts' original 2011-12 budgets that were certified

for taxes. It does not include any subsequent transfers or changes. Districts' expenditures on preschool programs operated by the districts are also included; however, tuition paid to other providers for preschool is omitted.

It should be noted that the categorization of costs within functions are consistent with the classifications used by the National Center for Education Statistics. These categorizations may differ from the definitions used by both the Department and outside organizations in past years when classifying New Jersey school district expenditure data.

**Staffing Data:** The information for the staffing indicators is derived from the Fall Survey reports. The indicators differ from those published in the 2011 School Report Card in that faculty is divided between classroom teachers and educational support staff. In addition, ratios for staffing indicators use student enrollment counts as listed on the Application for State School Aid as of October 15, 2011 instead of the student enrollment counts used in the Report Card from the Fall Survey as of October 15, 2011.

## Indicator Descriptions

### Indicator 1 – Budgetary Per Pupil Cost

The **Budgetary Per Pupil Cost** indicator is presented to allow the comparison of those costs included in a district's general fund and special revenue fund budget (early childhood aid, preschool expansion aid, and preschool education aid) related to servicing the pupils on roll in the district (students who are educated within the district's schools) that are considered comparable across school districts. The subcomponents of this per pupil cost are shown later in this document as separate indicators, including: classroom instruction, support services (attendance and social work, health, guidance, child study team, educational media/school library services, and improvement of instruction services), administration (general, school and business administration), operations and maintenance of facilities, food services, extra-curricular activities and community service. Current expenses are the instructional costs of regular and special programs offered to students as well as the normal operating costs of the district. The costs included in this calculation are the costs of governance, support, and instruction that are considered common to all school districts and generally are uniform among them. Examples of expenses that are part of this indicator include salaries and fringe benefits of staff, textbooks, supplies and materials, rentals, insurance, legal fees and other purchased professional, technical, and property services. Certain items that generally are not common and uniform between districts are excluded to allow the meaningful comparison of costs. Expenses that are omitted from the calculation include: pensions paid by the state on behalf of districts, local contribution to special revenue, tuition expenditures, interest payments on the lease purchase of buildings, transportation costs, residential costs, and judgments against the school district. Also excluded from this per pupil calculation are equipment purchases, facilities acquisition and construction services, expenditures funded by restricted local, state (other than the special revenue funds noted above) and federal grants, and debt service expenditures.

## Classroom Indicators

### Indicator 2 – Total Classroom Instruction

This indicator includes all expenditures associated with direct classroom instruction for both regular and special education pupils educated within the district. It includes the salaries and allocated benefits of teachers, substitutes and teachers' aides (other than secretarial and clerical) as well as the additional compensation paid to teachers for services such as hall monitors, detention, and lunchroom aides. Benefits are applied as a percentage of salaries and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document. Supplies such as calculators, microscopes, textbooks, workbooks, tests, chalk, paper, pencils, paints, and other classroom supplies are included. Filmstrips, periodicals, videos, CDs, and other reference items for specific regular classroom use are also included. Such items used for general reference are considered part of educational media services/school library, and are included in the total support services indicator. Total classroom instruction costs would also include purchased professional-educational, technical and other services purchased for classroom use, such as amounts paid for occupational, speech, and physical therapy, assembly speakers, and standardized subject exams. The cost of the rental or lease purchase of equipment for classroom use is included in this indicator as well. The costs of co-curricular activities are excluded from this indicator, but instead are included in the total extracurricular cost indicator (Indicator 13).

### Indicator 3 – Classroom Salaries and Benefits

Classroom salaries include the amounts paid to district personnel for the provision of the district's instructional programs. It does not include the administrative and support staff related to those programs. This indicator is a subcomponent of **Total Classroom Instruction**. It includes the salaries and allocated benefits of teachers, substitutes and teachers' aides (other than secretarial and clerical) as well as the additional compensation paid to teachers for services such as hall monitors, detention, and lunchroom aides. It also includes the amounts paid to district personnel as well as allocated benefits for the provision of occupational, speech, and physical therapy. Amounts paid to non-district employees for such services are considered part of the total classroom instruction cost, but are not included here since such expenditures are for purchased services rather than for salaries. Benefits are applied as a direct allocation or as a percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document (Indicator 14).

### Indicator 4 - Classroom Supplies/Textbooks

This indicator includes the cost of classroom supplies and textbooks for the district's regular, special education, basic skills, bilingual, local vocational and other instructional programs. This indicator is a subcomponent of **Total Classroom Instruction**. Supplies such as calculators, microscopes, textbooks, workbooks, tests, chalk, paper, pencils, paints, and other classroom supplies are included. Filmstrips, periodicals, videos, CDs, and other reference items for specific regular classroom use are also included. Such items used for general reference are considered part of educational media services/school library and are included in the total support services per pupil cost indicator.

### Indicator 5 - Classroom Purchased Services/Other Costs

This indicator includes the expenditures other than salaries, benefits, and cost of classroom supplies and textbooks associated with the direct classroom instruction for the district's regular and special education pupils as well as those related to a district's basic skills, bilingual, local vocational, and other instructional programs. This indicator is a subcomponent of **Total Classroom Instruction**. Total classroom purchased services/other costs would include professional-educational, technical and other services purchased for classroom use, such as amounts paid to non-district employees for occupational, speech, and physical therapy, assembly speakers, and standardized subject exams. The costs of the

rental or lease purchase of equipment for classroom use are also included here, as are dues and fees for teachers' membership in professional and other organizations.

## **Educational Support Indicators**

### **Indicator 6 - Total Support Services**

This indicator includes expenditures considered to be student support services under the National Center for Education Statistics (NCES) definition - services supplemental to the teaching process that are designed to assess and improve students' well-being. It also includes expenditures for activities associated with assisting the instructional staff with the content and process of providing learning experiences. Attendance, social work, health and guidance services, educational media/school library services and child study team services are student support services under the NCES definition. This area also includes the costs associated with physical and mental health services that are not direct instruction, but are nevertheless provided to students, such as supervision of health services, health appraisal (including screening for vision, communicable diseases, and hearing deficiencies), screening for psychiatric services, periodic health examinations, emergency injury and illness care, dental services, nursing services and communications with parents and medical officials. Also included are the expenditures of the guidance office, including counseling, record maintenance, and placement services as well as the costs of the child study team members related to the development and evaluation of student individualized education programs (IEPs). Services provided as a result of IEPs are considered instructional costs and are included in the appropriate classroom instruction indicators. Also included here are the school library services, audiovisual services, educational television services, and computer assisted instruction services. The actual provision of computer assisted instruction is considered classroom instruction. Total support services would include the full-time, part-time and prorated salaries and allocated benefits of all employees performing the aforementioned activities, both professional and administrative, as well as amounts paid to non-district personnel performing those services. Benefits are applied as a direct allocation or as a percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document. Other expenditures included under Total Support Services include the costs for improvement of instruction services and staff training, as well as expenditures for the following supplies and materials: curricular books and periodicals, films, filmstrips, transparencies, tapes, TV programs, tape recordings, videos, CDs, software, reference books, general use books and periodicals for use by staff but not for classroom instruction, and forms, office supplies, and other supplies used to perform these functions. The cost of binding or other repairs to school library books is included here. Total support services would also include the rental or lease purchase of equipment related to these services and the travel of these staff as well as the costs of their dues and fees for membership in professional or other organizations. Excluded are amounts paid for residential costs associated with out of district student placements.

### **Indicator 7 - Salaries and Benefits for Support Services**

Support services salaries includes the amounts paid to district personnel for the provision of services related to attendance and social work services, health services, guidance services and any other activities supplemental to the teaching process that are designed to assess and improve the well-being of students as well as the salaries of child study team members and educational media/school library staff. This indicator is a subcomponent of **Total Support Services**. It includes the full-time, part-time and prorated salaries of attendance officers, social workers, doctors, and nurses, child study team members and their related secretarial and clerical staff. It also includes school library staff, audiovisual staff, educational television staff, staff engaged in the development of computer-assisted instruction and the related secretarial and clerical staff for these activities. Amounts paid to non-district employees for such services are considered part of the total student support services cost, but are not included here since such expenditures are for purchased services rather than for salaries. Benefits are applied as a direct allocation or as a

percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document (Indicator 14). Also included are the salaries and allocated benefits associated with improvement of instruction services and instructional staff training.

## Administration Indicators

### Indicator 8 - Total Administration

This indicator includes the expenditures related to general administration, school administration, business and other support services, both business and central. Total administration includes the costs associated with the activities concerned with establishing and administering policy for operating the district, the costs associated with the overall administrative responsibility for the individual schools within the district, and business support services and central support services such as research and development, planning, evaluation, information services, data processing services, and staff services. Included here would be the board of education services and executive administration services such as the superintendent, assistant superintendents, board secretary/business administrator, and treasurer of school moneys. Also included in the definition of administration are the activities performed by the principal, assistant principals, and other assistants while they supervise operation of the school, evaluate staff members, supervise and maintain school records, and coordinate instructional activities. The activities of department heads and the work of clerical staff in support of teaching and administrative duties are also included. Total administration would include the full-time, part-time and prorated salaries and allocated benefits of all employees performing the aforementioned activities, both professional and administrative as well as amounts paid to non-district personnel performing those services. Benefits are applied as a direct allocation or as a percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document. Purchased professional services such as legal services, outside auditors, bond-paying agents, election services, staff relations and negotiation services, curriculum developers, workshop presenters, and other consultants are also included in total administration. The district-wide costs for telephone and communication services, including expenses for postage equipment rental and postage are included here. Total administration includes the cost of forms, office supplies, and other supplies used to perform these functions. It would also include the rental or lease purchase of equipment related to these services, outside workshop fees and the travel of these staff as well as the costs of their dues and fees for membership in professional or other organizations, including a school board association.

### Indicator 8A – Legal Services (New in 2009-2010)

This indicator was established to provide data for the comparison between districts' costs for professional legal services as required by N.J.A.C. 6A:23A-5.2(a)(3). The indicator is a subcomponent of **Total Administration**. It includes the salaries and benefits for legal services provided by district employees, where benefits are applied as a direct allocation or as a percentage of salaries (the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document). The costs for legal services provided by non-district employees through purchased professional services are also included in this sub-total. It should be noted that this indicator includes general fund legal fees only. Excluded are capital outlay legal services (since these are related to projects that are one-time costs) and judgments against the district (since these are not professional services).

### Indicator 9 - Administration Salaries and Benefits

Administration salaries includes the amounts paid to district personnel for the provision of services related to general administration, school administration, and business and other support services. This indicator is a subcomponent of **Total Administration** and includes the full-time, part-time and prorated salaries of superintendents, assistant superintendents and other general administrators, board secretaries/school business



administrators and other business and central office staff, principals, assistant principals, department chairpersons, and the related secretarial and clerical staff for these activities. Amounts paid to non-district employees for such services are considered part of the total administration cost, but are not included here since such expenditures are for purchased services rather than for salaries. Benefits are applied as a direct allocation or as a percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document.

## **Operations and Maintenance Indicators**

### **Indicator 10 - Total Operations and Maintenance of Plant**

This indicator includes all expenditures associated with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition. These include the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools, including the cost of providing security. Remodeling costs are considered part of the district's facilities acquisition and construction services budget and are not included here. Total operations and maintenance of plant services includes the salaries and allocated benefits of staff, both professional and administrative, responsible for operation and maintenance supervision, operations (heating, lighting, ventilating, repairing and replacing of facilities and equipment), the care and upkeep of grounds and equipment, vehicle operation and maintenance other than student transportation, and security staff. Benefits are applied as a direct allocation or as a percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document. Total operations and maintenance of plant services would include purchased professional and technical services for the aforementioned activities such as garbage disposal services, snow plowing services, custodial services, and lawn care as well as contracts and agreements covering the upkeep of buildings and equipment. Also included here would be equipment and vehicle rentals or lease purchases for operation and maintenance, energy (heat, gas and electric) costs, property insurance and utility services such as water and sewage.

Total operations and maintenance of plant would also include the general supplies for this function's staff as well as their travel costs and dues and fees for membership in professional and other organizations.

### **Indicator 11 - Salaries and Benefits for Operations and Maintenance of Plant**

Operations and maintenance of plant services salaries includes the amounts paid to district personnel for the provision of services related to keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition. These include the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools, including the cost of providing security. This indicator is a subcomponent of **Total Operations and Maintenance of Plant**. It includes the full-time, part-time and prorated salaries and allocated benefits of operation and maintenance personnel, both professional and administrative. Operation and maintenance staff include those responsible for operation and maintenance supervision, operations (heating, lighting, ventilating, repairing and replacing of facilities and equipment), staff for care and upkeep of grounds and equipment, vehicle operation and maintenance other than student transportation, and security services staff. This would include employees hired as hall monitors, playground aides, and lunchroom aides. The additional amounts paid to teachers for such services are reported as teachers' salaries and are included in classroom instruction. Amounts paid to non-district employees for such services are considered part of the total operations and maintenance of plant cost, but are not included here since such expenditures are for purchased services rather than for salaries. Benefits are applied as a direct allocation or as a percentage of salaries, and the calculation of that ratio of benefits to total salaries is shown as a separate indicator in this document.

## Other Cost Indicators

### Indicator 12 - Board Contributions to the Food Service Program

This indicator includes the board's share of expenditures for the district's food service program. It represents the portion of the operations of the food service program that is not financed through user fees charged or reimbursements received from the state and federal governments. The full cost of the operations of the food service program is not included here, only the board's contribution to cover a program deficit.

### Indicator 13 - Extracurricular Costs

This indicator includes the amounts associated with board-sponsored athletics and co-curricular activities such as entertainment, publications, clubs, band, and orchestra. It includes the amounts paid to staff to serve as advisors for these activities as well any amounts paid to outside doctors for sports physicals or officials along with any equipment rentals or lease purchases and supplies related to these activities. This would also include any board contributions to cover the deficits of student activity and athletic funds that are not under the district's control.

### Indicator 14 - Personal Services - Employee Benefits

**Personal Services - Employee Benefits** includes the amounts paid by the district on behalf of its employees in addition to salary amounts. Employee benefits includes fringe benefits such as group life insurance, medical insurance, the employer share of social security contributions for certain employees, regular employer contributions to the Public Employees Retirement System, tuition reimbursement, unemployment compensation, worker's compensation and lump sum payments for unused sick time upon employee retirement. It does not include the amount of employer social security and pension contributions related to Teachers' Pension and Annuity Fund members since these, by law, are paid by the state on behalf of the district. It also excludes the additional pension contributions related to any early retirement incentive plan option taken by the district.

This indicator shows the calculation of the rate of employee benefits to total salaries. Starting with the 1997-98 budget, the district had the opportunity to allocate benefits directly to cost centers (i.e. classroom instruction, administration). Therefore, benefits could have been applied directly to cost centers or, if unallocated to a specific cost center, applied uniformly allocating the cost based on salary rather than to the specific cost center. This indicator is included in this document for information purposes only and is not ranked.

### Indicator 15 - Total Equipment Cost

This indicator includes all purchases of items meeting the definition of equipment, whether for instructional or non-instructional purposes. Equipment would include computers, machinery, tools, trucks, cars, buses, furniture and furnishings. One of the qualifiers for the classification of an item as equipment is that its individual unit cost must exceed \$2,000. If it does not meet the \$2,000 test, it is classified as a supply item. This is not a subcomponent of the budgetary per pupil cost indicator included in this document. It is presented to show equipment purchase patterns over the past three years that generally are not comparable from year to year. This indicator is included in this document for information purposes and is not ranked.

## Staffing Indicators

### Indicator 16 - Ratio of Students to Classroom Teachers and Median Classroom Teacher Salary

The **Ratio of Students to Classroom Teachers and Median Salary** indicator uses information provided by school districts in the Department's Certificated Staff Report data collection. Districts provide the Department with information regarding each employee who holds a certificate issued by the State Board of Examiners, including an allocation of their time spent in each job description and total salary paid. The job codes provided were used to calculate the full-time equivalent (FTE) of certificated staff to establish a ratio of students to classroom teachers. The ratio of students to classroom teachers represents the total FTE for the above listed certificated positions divided by the student enrollments reported in the Application for State School Aid for the applicable year. The ratios are ranked in descending order, and the mean salaries are ranked in ascending order.

### Indicator 17 - Ratio of Students to Educational Support Personnel and Median Salary

The **Ratio of Students to Educational Support Personnel and Median Salary** indicator uses information provided by school districts in the Certificated Staff Report. Districts provide the Department with information regarding each employee who holds a certificate issued by the State Board of Examiners, including an allocation of their time spent in each job description and total salary paid. Educational support services positions include the job codes for counselors, librarians, nurses, child study team members, and other educational support services personnel. The job codes provided were used to calculate the full-time equivalent (FTE) of certificated staff to establish a ratio of students to educational support personnel. The ratio of students to educational support personnel represents the total FTE for the above listed certificated positions divided by the student enrollments reported in the Application for State School Aid for the applicable year. The ratios are ranked in descending order, and the mean salaries are ranked in ascending order.

### Indicator 18 - Ratio of Students to Administrative Personnel and Median Salary

The **Ratio of Students to Administrative Personnel and Median Salary** indicator uses information provided by school districts in the Certificated Staff Report. Districts provide the Department with information regarding each employee who holds a certificate issued by the State Board of Examiners, including an allocation of their time spent in each job description and total salary paid. Administrative staff includes the job codes for chief school administrator, assistant superintendents, school business administrator, principals, assistant principals, supervisors, coordinators, and directors.

Non-certificated administrative personnel are not included. The job codes provided were used to calculate the full-time equivalent (FTE) of certificated staff to establish a ratio of students to administrative personnel. The ratio of students to administrative personnel represents the total FTE for the above listed certificated positions divided by the student enrollments reported in the Application for State School Aid for the applicable year. The ratios are ranked in descending order, and the mean salaries are ranked in ascending order.

### Indicator 19 - Ratio of Faculty to Administrative Personnel

The **Ratio of Faculty to Administrative Personnel** indicator uses information provided by school districts in the Certificated Staff Report. Districts provide the Department with information regarding each employee who holds a certificate issued by the State Board of Examiners, including an allocation of their time spent in each job description and total salary paid. The job code information provided was used to calculate the ratio of faculty staff to administrative personnel. Faculty includes both certificated instructional staff and educational support services positions. Instructional staff includes those job codes for actual classroom instruction. Administrative staff calculations include the job codes for chief school

administrator, assistant superintendents, school business administrator, principals, assistant principals, supervisors, coordinators, and directors. Non-certificated personnel such as aides or clerical support in each of the three categories are not included in the calculations. The ratio of faculty to administrative personnel indicator represents the total FTE for the above listed certificated positions defined as faculty divided by the total FTE for the above listed certificated positions defined as administrative. The ratios are ranked in descending order.

It should be noted that the median salary data contained in Indicators 16, 17 and 18 do not directly correspond with the district's annual budget statement. The budget lines for salaries include amounts budgeted for certificated staff as well as amounts budgeted for substitute teachers and non-certificated staff members. Another difference that should be considered is that the budget amounts are estimates of dollars that will be needed for that year whereas the Certificated Staff Report data is for the actual employees of the district as of a point in time (October 15 of each year). The ratios are ranked in descending order, and the mean salaries are ranked in ascending order.

### **Additional Data**

#### **Indicator 20 - Comparison of Budgeted General Fund Balance vs. Actual (Used) or Generated (updated)**

This indicator presents data for the 2009-10 and 2010-11 school years showing the general fund balance appropriated in the original budgets and the actual amount of general fund balance used or generated during the same year based on the information reported in the school districts' Comprehensive Annual Financial Reports (CAFRs). A negative amount in the actual column indicates the district used fund balance to support the district operations in that year. A positive amount in the actual column indicates the district generated additional fund balance during that year.

#### **Indicator 21 - Unreserved General Fund Balance Excess (updated)**

This indicator shows the total amount of unreserved undesignated general fund balance in each district based on the threshold contained in N.J.S.A. 18A:7F-7, (excess surplus) for the 2009-10 and 2010-11 school years. Excess surplus at June 30, 2010 is required to be budgeted in 2011-12. Excess surplus at June 30, 2011 is required to be budgeted in 2012-2013.

#### **Summary of Budgetary Per Pupil Indicators – 2009-10 and 2010-11 Actual and 2011-12 Original Budget**

As explained in the introduction, when determining the costs to be included in the budgetary per pupil calculations presented as indicators, the department gave careful consideration to what per pupil calculations would be meaningful to the reader as well as what costs could bias the comparison between districts. Only those costs that are considered similar among districts are included in the per pupil calculations. These schedules provide the detail of those per pupil calculations made based on the district's 2009-10 actual general fund and selected special revenue expenditures, the district's 2010-11 actual general fund and selected special revenue expenditures, and the 2011-12 budgeted general fund and selected special revenue expenditure. It also presents the average daily enrollment (ADE) that was used as the divisor for the 2009-10 and 2010-11 calculations as well as the 2011-12 estimated enrollments used in the 2011-12 calculations. Examples of excluded items are dollars budgeted for tuition payments to other districts and private schools, the transportation of students, the interest and principal payments for the lease purchase of land and buildings, residential costs, capital projects funded from sources other than bond referendums, and the instructional and support services costs of the districts' special schools.

### Transportation Efficiency

The transportation efficiency report lists the vehicle utilization of all school districts in county-district order exclusive of some vocational schools, special services districts, educational services commissions, jointure commissions, and districts that fully utilize another school district or Coordinated Transportation Agency. In addition, districts which provide all of their transportation through coordinated transportation services are also excluded. Districts whose vehicle utilization continues to fall below 120% may be required to develop a corrective action plan outlining how they intend to improve efficiency.

Vehicle capacity was calculated utilizing 90 percent of the total number of seats available for district use. Ten percent set aside of seats is allowed for in this calculation to accommodate non-mandated ridership or other local conditions, which may prevent 100 percent utilization. Additionally, vehicles used exclusively for the transportation of special education students with special transportation needs were not included in this calculation.

Student ridership includes all eligible resident district regular public school students, nonpublic school students, charter school students, and in-district special education students who do not have special transportation needs. In addition, the following four categories of students have also been added to the student ridership calculation:

1. Eligible students from other districts for whom the host district provides transportation services.
2. Pre-kindergarten through 3<sup>rd</sup> grade students who reside less than remote from school.
3. Students receiving non-mandated transportation because they would be required to walk along routes designated as hazardous by the board of education pursuant to N.J.S.A. 18A:39-1.5 if they were not transported.
4. Students in all grade levels whose parents or the municipality pay for non-mandated transportation.

Nonpublic school students and charter school students whose parents receive aid in lieu of transportation are not in this calculation. Special education students with special transportation needs and special education students without special needs who are transported outside the district riding on vehicles excluded from the vehicle capacity calculation are also excluded in the student ridership calculation.

A district's vehicle utilization is calculated by dividing student ridership by vehicle capacity. The October 2011 District Report of Transported Resident Students (DRTRS) provides the data used for this calculation.