

LEGISLATIVE HISTORY CHECKLIST
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(School budget - GAAP)

NJSA: 18A:22-8

LAWS OF: 1993 **CHAPTER:** 117

BILL NO: S1302

SPONSOR(S) Ewing and others

DATE INTRODUCED: October 22, 1992

COMMITTEE: **ASSEMBLY:** Education
SENATE: Education

AMENDED DURING PASSAGE: Yes Amendments during passage
 First reprint enacted denoted by superscript numbers

DATE OF PASSAGE: **ASSEMBLY:** March 29, 1993
SENATE: January 25, 1993

DATE OF APPROVAL: May 24, 1993

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

[FIRST REPRINT]

SENATE, No. 1302

STATE OF NEW JERSEY

INTRODUCED OCTOBER 22, 1992

By Senators EWING, PALAIA, Ciesla and LaRossa

1 AN ACT concerning school budgets and amending N.J.S.18A:22-8.

2

3 BE IT ENACTED *by the Senate and General Assembly of the*
4 *State of New Jersey:*

5 1. N.J.S.18A:22-8 is amended to read as follows:

6 18A:22-8. The budget shall be prepared in such detail and upon
7 such forms as shall be prescribed by the commissioner and to it
8 shall be annexed a statement so itemized as to make the same
9 readily understandable, in which shall be shown:

10 a. In tabular form there shall be set forth the following:

11 (1) The total expenditure for each item for the preceding
12 school year, the amount appropriated for the current school year
13 adjusted for transfers as of ¹[December] February¹ 1 of the
14 current school year, and the amount estimated to be necessary to
15 be appropriated for the ensuing school year, indicated separately
16 for [at least the following items:

17 (a) Salaries--administration

18 (b) Salaries--teaching

19 (c) Salaries--for the operation of plant and maintenance

20 (d) Categorical programs

21 (i) Salaries

22 (ii) Other

23 (e) Supplies for the operation of plant--including fuel

24 (f) Textbooks

25 (g) Instructional supplies

26 (h) Other supplies

27 (i) School libraries and audio visual materials

28 (j) Transportation of pupils

29 (k) Insurance

30 (l) Legal fees

31 (m) Consulting fees, including negotiating fees

32 (n) Contracts for maintenance

33 (o) Property

34 (p) Maintenance

35 (q) Evening schools

36 (r) Classes for the foreign born

37 (s) Vocational evening schools and courses

38 (t) Tuition paid to other districts

39 (u) Interest and debt redemption charges, in type II districts

40 (v) Pension contributions

41 (w) Social Security payments

42 (x) Any other major purposes including any capital project

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AED committee amendments adopted March 22, 1993.

- 1 which the State Board of Education desires to include in the
 2 annual budget] each item as determined by the commissioner;
- 3 (2) The amount of the surplus account available at the
 4 beginning of the preceding school year, at the beginning of the
 5 current school year and the amount anticipated to be available
 6 for the ensuing school year;
- 7 (3) The amount of revenue available for budget purposes for
 8 the preceding school year, the amount available for the current
 9 school year as of ¹[December] February¹ 1 of the current school
 10 year and the amount anticipated to be available for the ensuing
 11 school year in the following categories:
- 12 (a) Total to be raised by local property taxes
- 13 (b) Total State aid
- 14 (i) Foundation aid
- 15 (ii) Special education aid
- 16 (iii) Transportation aid
- 17 (iv) At-risk aid
- 18 (v) Bilingual aid
- 19 (vi) Other (detailed at the discretion of the commissioner)
- 20 (vii) Transition aid
- 21 (c) Total Federal aid
- 22 (i) Elementary and Secondary Education Act of 1965
 23 (20 U.S.C. §2701 et seq.)
- 24 (ii) Handicapped
- 25 (iii) Impact Aid
- 26 (iv) Vocational
- 27 (v) Other (detailed at the discretion of the commissioner)
- 28 (d) Other sources (detailed at the discretion of the
 29 commissioner).
- 30 (4) Transfers between current expense and capital outlay for
 31 the preceding school year, the current school year as of
 32 ¹[December] February¹ 1 of that year and transfers anticipated
 33 for the ensuing school year.
- 34 [b. In addition, the commissioner may provide for a program
 35 budget system.] deleted by amendment, P.L. , c. (now
 36 pending before the Legislature as this bill)
- 37 c. In the event that the total expenditure for any item of
 38 appropriation is equal to \$0.00 for: (1) the preceding school year,
 39 (2) the current school year, and (3) the amount estimated to be
 40 necessary to be appropriated for the ensuing school year, that
 41 item shall not be required to be published pursuant to
 42 N.J.S.18A:22-11.
 43 (cf. P.L.1990, c.52, s.43)
- 44 2. This act shall take effect immediately.
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 46
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 48
 49 Revises school budget format to conform with requirements of
 50 Generally Accepted Accounting Principles (GAAP).

1 annual budget] each item as determined by the commissioner;

2 (2) The amount of the surplus account available at the
3 beginning of the preceding school year, at the beginning of the
4 current school year and the amount anticipated to be available
5 for the ensuing school year;

6 (3) The amount of revenue available for budget purposes for
7 the preceding school year, the amount available for the current
8 school year as of December 1 of the current school year and the
9 amount anticipated to be available for the ensuing school year in
10 the following categories:

11 (a) Total to be raised by local property taxes

12 (b) Total State aid

13 (i) Foundation aid

14 (ii) Special education aid

15 (iii) Transportation aid

16 (iv) At-risk aid

17 (v) Bilingual aid

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19 (vii) Transition aid

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21 (i) Elementary and Secondary Education Act of 1965 (20
22 U.S.C. §2701 et seq.)

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26 (v) Other (detailed at the discretion of the commissioner)

27 (d) Other sources (detailed at the discretion of the
28 commissioner).

29 (4) Transfers between current expense and capital outlay for
30 the preceding school year, the current school year as of
31 December 1 of that year and transfers anticipated for the ensuing
32 school year.

33 [b. In addition, the commissioner may provide for a program
34 budget system.] deleted by amendment, P.L.c. (now pending
35 before the Legislature as this bill)

36 c. In the event that the total expenditure for any item of
37 appropriation is equal to \$0.00 for: (1) the preceding school year,
38 (2) the current school year, and (3) the amount estimated to be
39 necessary to be appropriated for the ensuing school year, that
40 item shall not be required to be published pursuant to
41 N.J.S.18A:22-11.

42 (cf. P.L.1990, c.52, s.43)

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STATEMENT

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48 This bill revises the form and detail required for the
49 preparation of school district budgets. These changes, which
50 would leave the details of the budget format up to the discretion
51 of the Commissioner of Education, are necessary in order to
52 provide for compliance with the requirement that all districts use
53 the Generally Accepted Accounting Principles (GAAP).

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1302

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 22, 1993

The Assembly Education Committee reports favorably Senate Bill No. 1302 with committee amendments.

This bill, as amended, provides that the format used by school districts in the preparation of the districts' budgets shall be left to the discretion of the Commissioner of Education. Changes to the budget format are necessary in order to comply with the requirement that all districts use Generally Accepted Accounting Principles (GAAP).

The committee amended the bill to provide that the budget must reflect adjustments made as of February 1 of the school year.

This bill, as amended, is identical to Assembly Bill No. 1994 of 1992 with committee amendments.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1302

STATE OF NEW JERSEY

DATED: NOVEMBER 16, 1992

The Senate Education Committee favorably reports this bill without committee amendments.

This bill revises the form and detail required for the preparation of school district budgets. These changes, which would leave the details of the budget format up to the discretion of the Commissioner of Education, are necessary in order to provide for compliance with the requirement that all districts use the Generally Accepted Accounting Principles (GAAP).