

Fiscal Management

Unless otherwise indicated, the District Performance Review indicators will be used to evaluate conditions and performance in the district over the preceding three year period. To attain points for this section of the DPR, the district must answer “yes” to each numbered indicator or block of indicators. Partial points are not awarded.

| SECTION A: BUDGET PLANNING: The district budget planning and preparation process is comprehensive, integrated with the instructional priorities of the district and focused on curricular improvements, student achievement, and professional development. | Suggested Documentation | Point Value | District Score (Type "1" for Yes, "0" for No) | County Score | Comments |
|---|--|--------------------|--|---------------------|-------------------|
| A1: The district’s budgeting process and its allocation of resources are aligned with the district’s instructional priorities and student needs. | | | | | |
| A1a: The district has developed written policies and procedures for the budget and financial planning process that ensures the process is integrated and aligned with district priorities and planning objectives based on statewide assessments and applicable strategic plans (such as school improvement plans, curriculum plans, a text-book replacement plan, a long-range facilities plan and maintenance plans). | District policies, budget calendar and responsibilities and goals. | 3 | 1 | 1 | policy 6210,6220 |
| A1b: The district follows a budget calendar that is developed and shared with the board annually and reflects all applicable legal and management requirements. | Board minutes/agendas and minutes from goal setting meetings. | | 1 | 0 | policy 6210, 6220 |

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| A1c: The district annually aligns fiscal goals and budget objectives to ensure that instructional resources are sufficient to address the needs of students, develop curriculum, and ensure professional development for all staff. | District plans: strategic plans, NCLB needs assessment, curriculum plans, professional development plans, CAPA plan, as applicable; LRFP, Maintenance Plan, textbook replacement, etc. | | 1 | 0 | annual budget binder |
| A1d: The district sets budget objectives and allocates sufficient resources to address the priority problems that have been identified as impacting student subgroup performance as measured under NCLB | Budget supporting documentation #2 and other budget support/tools updated annually. Describe how the district's planning and budgeting processes link | | 1 | 0 | annual budget binder |
| A2: The adopted and certified budget is supported by detailed documentation: | | | | | |
| A2a: The budget objectives and budgeted costs address <u>CAPA reports, special education and other programmatic reports, and assessed needs, as applicable, including</u> the priority problems that have been identified as impacting student subgroup performance as measured under the federal NCLB. | Assessment results, detailed budget support, <u>CAPA and other programmatic reports</u> | 1 | 1 | 0 | annual budget binder |
| A2b: <u>Budgeted positions and salaries supported and consistent with the Position Control Roster required pursuant to N.J.A.C. 6A:23A-6.8.</u> | Position control roster of similar document, payroll by account stipends, substitutes, overtime analysis | 1 | 1 | 0 | annual budget binder |
| A2c: The tuition estimate is based on an analysis of prior year expenditures and the current year schedule of out of district placements from existing contracts or there are no out-of-district placements. | Tuition contracts current year; historical analysis of placements during year | 1 | 1 | 0 | annual budget binder |
| A2d: Appropriations for capital projects are based on the district's Long Range Facilities Plan. | LRFP | 1 | 1 | 0 | annual budget binder |
| A2e: Other appropriation lines are supported by a trend analysis of historical expenditures. | Analysis of historical expenditures | 1 | 1 | 0 | annual budget binder |
| A3: The district 's budget does not include line-item transfers or appropriations of surplus for new programs and initiatives not contained in the original budget certified for taxes (excluding transfers for health and safety related items and awards of additional state aid or grants for new purposes.) | Monthly transfer report, board minutes, budget documents | 2 | 1 | 0 | monthly financial statements |

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| Total Section A | 10 | 10 | 0 | |
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| SECTION B: FINANCIAL AND BUDGETARY CONTROL: The district has sufficient financial and budgetary controls to ensure fiscal integrity and accurate financial reporting. | Suggested Documentation | Point Value | District Score | County Score | Comments |
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B1: The monthly Board Secretary’s report is completed and reconciled without exceptions (e.g. unbalanced/inaccurate balance sheet, unauthorized transfers):

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| B1a: The report is completed within 30 days of the month’s end <i>and reconciled with the Treasurer’s report within 45 days of the month’s end.</i> | CAFR, Auditors Management Report (AMR), monthly Board Secretary <i>and Treasurer’s</i> report, open PO listing, general ledger, monthly reconciliation reports, monthly transfer reports, Board minutes | 4 | 1 | 0 | minutes |
| B1b: The report contains a budget status report which includes for each required line item account the original budget, transfers, adjusted budget, expenditures, encumbrances and available balance. The budget status report contains an up-to-date posting of all POs and cash receipts, a monthly review of open POs for liquidation; reconciliation to payroll and all subsidy ledgers; and transfer approvals received as required. There are no line-item over-expenditures. | | 4 | 1 | 0 | BA's monthly financial reports |

B2: The district has established and follows formal accounting policies and procedures, in the following areas:

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| B2 a: <i>Standard operating procedures for business functions including accounting, purchasing, fixed assets, etc. (N.J.A.C. 6A:23A-6.6)</i> | Written policies <i>and procedures</i> | | 1 | 0 | purchasing manual |
| B2 b: <i>Approval of amounts in excess of approved purchase orders (N.J.A.C. 6A:23A-6.10)</i> | | | 1 | 0 | purchasing manual |
| B2c : <i>Vehicle tracking and maintenance (N.J.A.C. 6A:23A-6.11)</i> | | | 1 | 0 | |

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| B2d: Supervision and handling of cash and other district funds, including safeguards and procedures for petty cash funds (N.J.S.A. 18A:19-13 and N.J.A.C. 6A:23A-16.8) | 5 | 1 | 0 | policy 6620 |
| B2e. Restricted access to personnel, payroll and other confidential data. | | 1 | 0 | policy 6620 |
| B2f: Work order system that tracks all maintenance requests, the worker assigned, date of completion, labor time spent and the cost of materials. | | 1 | 0 | N/A |
| B2g: Establishment and fiscal oversight of student activity funds. (N.J.A.C. 6A:23-2.14(c)) | | 1 | 0 | policy 6660 |
| B2h: <i>Professional services and public relations to minimize the costs (N.J.A.C. 6A:23A-5.2)</i> | | 1 | 0 | policy 9100 |
| B3: The maintenance of a position control roster to ensure accurate payroll. (N.J.A.C. 6A:23-A:6.8) | 4 | 1 | 0 | |

B4: The district is implementing a system of internal controls to prevent the over-expenditure of line item accounts and to safeguard assets from theft and fraud. This system includes:

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| B4a: At minimum, a semi-monthly review of the budget status report (budget to actual) to ensure that sufficient appropriations are available. | Budget status reports, monthly transfer report, adopted board policies, organizational chart and duties, AMR, listing of PO's, #'s and invoice dates, cash receipts journal, listing of manual checks issued, fixed asset registry, CAFR, AMR | 1 | 1 | 0 | BA's monthly financial reports |
| B4b: A requirement that transfers made prior to obligation of funds (to prevent line-item over-expenditure) and only for items permitted by law and regulation. | | 1 | 1 | 0 | policy 6422 |
| B4c: An adequate separation of duties: the purchasing agent is not responsible for accounts payable; the treasurer independently performs bank reconciliations; check signatories are not responsible for check preparation. | | 1 | 1 | 0 | |
| B4d: Purchase orders are approved only by the purchasing agent and are issued in advance of goods received or services rendered and encumbered for the full contractual amount. There are no confirming orders. | | 2 | 1 | 0 | PO's are located in vendor files |

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| B4e: Purchase orders delineate the vendor, the item or items, the quantity and the price. There are no blanket POs. |
| B4f: The budgetary and financial software ensures that encumbrances are placed prior to the release of POs and prevents recording of a PO if the line-item account is insufficient. |
| B4g: All <i>checks and</i> check-signing devices are kept in a secured location and only used by authorized personnel. |
| B4h: Manual checks represent less than one percent of the checks issued on an annual basis. (Interfund payments are excluded from this requirement.) |
| B4i: All cash receipts are accounted for, physically safeguarded, deposited in a timely manner, and properly recorded. |
| B4j: All fixed assets are tagged, logged and inventoried, and the disposal of any equipment is approved by purchasing agent and board of education. |

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| 1 | 1 | 0 | PO's are located in vendor files |
| 1 | 1 | 0 | Systems 3000 restrictions |
| 1 | 1 | 0 | located at Pinelands |
| 1 | 1 | 0 | |
| 1 | 1 | 0 | |
| 1 | 1 | 0 | |

B5: The district adheres to the state public school contracts law for purchasing:

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| B5a: The district aggregates goods and services and uses formal quotes and sealed bids for all purchases that are in excess of established bid thresholds. <i>(N.J.S.A. 18A:18A-3 and N.J.S.A. 18A:18A-8)</i> |
| B5b: <i>The district uses a deliberate and efficient manner to award professional services contracts and uses the professional services exemption to bidding for services when provided by a person whose practice is regulated by law and the service requires advance knowledge and training (e.g., architect, accountant). (N.J.S.A. 18A:18A-2)</i> |

PO listing, contract files, annual purchasing plan (aggregation), CAFR, AMR, required notification to County Sup for emergency purchases

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| | 1 | 0 | see CAFR |
| | 1 | 0 | reorg mtg minutes |

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| B5c: <u>The district uses the extraordinary unspecified services bidding exemption only when the service cannot be reasonably described by written specifications and meets all other requirements. The district's use of this exemption is narrowly construed in favor of open competitive bidding where possible. (N.J.S.A. 18A:18A-5 and N.J.A.C. 5:34-2)</u> | | 5 | 1 | 0 | |
| B5d: <u>The district uses competitive contracting for the allowable statutory purposes and follows all requirements. (N.J.S.A. 18A:18A-4.1 and N.J.A.C. 5:34-4).</u> | | | 1 | 0 | |
| B5e: The district uses authorized state contracts when they are in the best interest of district (N.J.S.A. 18A:18A-10) | | | 1 | 0 | |
| B5f: The district uses emergency contracts only as authorized (N.J.S.A. 18A:18A-7 and N.J.A.C. 5:34-6.1) | | | 1 | 0 | |
| B5g: The district's POs are consistent with the signed contracts from vendors providing goods and services. | | | 1 | 0 | |
| B6: In order to prevent duplicate or improper payments, the district approves payments and claims only after the submission of approved vouchers that include original invoices, receiving reports (such as bills of lading, packing slips, etc.), and vendor affidavits. (N.J.S.A. 18A:19-3) | Voucher packages, CAFR, AMR | 4 | 1 | 0 | see vendor files |
| B7: At least monthly, the district prepares and analyzes fiscal year cash flow projections for all funds to ensure that payments can be made on a prompt basis and to maximize investment opportunities. | Cash flow projections/report, PO listing, CAFR, AMR | 1 | 1 | 0 | BA's monthly financial reports |
| B8: Required data and financial reports are submitted to DOE in a timely manner by required submission dates: | | | | | |
| B8a: ASSA | Verification of submission dates | 2 | 1 | 0 | on file in Burl Cty Office of Education |
| B8b: DRTRS | | | 1 | 0 | on file in Burl Cty Office of Education |
| B8c: AUDSUM | | | 1 | 0 | on file in Burl Cty Office of Education |

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| B8d: Budget Statement (including user-friendly budget and administrator salary spreadsheet) | | 1 | 0 | on file in Burl Cty Office of Education |
| B8e: Debt service data collection | | 1 | 0 | on file with NJDOE |
| B8f: School Register | | 1 | 0 | on file with NJDOE |
| Total Section B | | 40 | 40 | 0 |

| SECTION C. ANNUAL AUDIT: The annual audit of the Comprehensive Annual Financial Report (CAFR) indicates that the district is fiscally stable. | Suggested Documentation | Point Value | District Score | County Score | Comments |
|--|--|--------------------|-----------------------|---------------------|---|
| C1: The district has filed the annual audit of its CAFR and filed other supporting forms and collections (AMR, Federal Data Collection Form) by the due date. (N.J.S.A. 18A:23-1) | CAFR, AMR, audit synopsis, federal data collection form, peer reviews, AUDSUM submission | 2 | 1 | 0 | on file with NJDOE |
| C2: The district receives an unqualified opinion on the annual audit and satisfies all of the following: | | | | | |
| C2a: If required, the district has implemented a corrective action plan acceptable to the county superintendent which addresses all audit recommendations. The district has submitted the Certificate of Implementation of the CAP by June 30th. | CAFR, AMR, CAP adopted by BOE, documentation of CAP acceptable to County Superintendent, certification of implementation of CAP, AMR | 20 | 1 | 0 | on file in Burl Cty Office of Education |
| C2b: The district has no repeat audit findings of a substantive nature. | | | 1 | 0 | see CAFR |
| C2c: The district has no material weaknesses in the findings. | | | 1 | 0 | see CAFR |
| C2d: The district ends the year with no deficit balances in the general fund, the special revenue fund, the capital projects fund or the debt service fund (other than permitted under state law and GAAP). | | | 1 | 0 | see CAFR |
| C3: The district ends the year with no line-item over-expenditures. | CAFR, AMR | 3 | 1 | 0 | see CAFR and Bd Sect Report |
| Total Section C | | 25 | 25 | 0 | |

| SECTION D: RESTRICTED REVENUES: The district has sufficient and required accountability over restricted revenues, such as federal and state grants, bonds, etc. | Suggested Documentation | Point Value | District Score | County Score | Comments |
|---|--|-------------|----------------|--------------|-----------------------|
| D1: The district manages and oversees NCLB, IDEA, <u>ARRA</u>, and other entitlement and discretionary grants as required: | | | | | |
| D1a: The district complies with demonstration of comparability, maintenance of effort, <u>supplement not supplant</u> , and other federal grant fiscal requirements. | CAFR, AMR, grant application submission and approval dates, carryover reports, closeout reports, transfer approvals, MOE and comparability reports | 5 | 1 | 0 | see NCLB appl |
| D1b: Grant funds are spent as budgeted. Amendments and budget modifications are completed for changes that exceed the applicable threshold (entitlement grants – lesser of 10% or \$50,000; discretionary grants – lesser of 10% or \$10,000). | | | 1 | 0 | see CAFR |
| D1c: The district spends federal and state grants funds as required and distributes non-public allocations as required. The district does not return federal and state grants or nonpublic allocations to DOE (except for non-public allocations for schools no longer in operation). If the district has returned funds in excess of \$1000 to DOE: On a separate sheet of paper, list the name of the grant and dollar amount refunded. If the returned funds were for nonpublic school services, specify the date the services began and the reason the funds were not spent. | | | 1 | 0 | see CAFR, schedule K3 |

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| <p>D1d: At least 85 percent of the NCLB and IDEA grant funds are expended in year one. * For Title I, a waiver to carry over more than 15% has not been requested within the last three years.</p> <p>* For Title IV, a waiver to carry over more than 25% has not been requested this year.</p> | | | 1 | 0 | see CAFR, schedule K3 |
| D2: The district submits its applications for NCLB, IDEA, <u>ARRA</u>, Perkins and Evening School for the Foreign Born (EFB) in a timely manner: | | | | | |
| D2a: The district submits its NCLB consolidated application and applications for IDEA, Perkins and Evening School for the Foreign Born (EFB) by the due dates. | CAFR, AMR, grant application submission and approval dates, carryover reports, closeout reports, transfer approvals, MOE and comparability reports | 1 | 1 | 0 | on file with NJDOE, no single audit findings per annual audit |
| D2b: The district submits its revision requests for NCLB, IDEA, Perkins and Evening School for the Foreign Born (EFB) in a timely manner. | | | 1 | 0 | |
| D2c: The district submits its entitlement final reports, carryover applications (if applicable) and closeout reports by the due dates. | | | 1 | 0 | |
| D3: The district follows proper accounting procedures <u>and expenditure of funds</u> for restricted federal grants and restricted state grants and aid, including preschool education aid, consistent with <u>EDGAR</u> and OMB Circular A-87, including: | | | | | |
| D3a: The district accounts separately <u>and maintains records</u> by grant (<u>IDEA, Title I, IDEA-ARRA, etc.</u>) and location as required (Title I, etc.), and/or consolidates accounts for approved school-wide programs as allowed in accordance with the approved budget. | CAFR, AMR, accounting system and reports by grant, transfer requests, indirect cost rate; Applications/approvals, board minutes, time and activity reports | | 1 | 0 | see CAFR and BD Sect Report |
| D3b: <u>The district has effective control and accountability for all grant cash, property and other assets (internal controls).</u> | | | 1 | 0 | |
| D3c: <u>If applicable, the district has submitted an acceptable corrective action plan that has addressed all findings from the CAFR and Single Audit, DOE monitoring and/or other monitorings/audits.</u> | | | 1 | 0 | see CAFR, k schedules |

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| D3d: <u>The district expends federal funds consistent with OMB Circular A-87 to determine the reasonableness, allowability and allocability of costs.</u> | | / | 1 | 0 | see CAFR, k schedules |
| D3e: If applicable, the district expends federal funds consistent with its approved indirect cost rate. | | | 1 | 0 | minutes |
| D3f: <u>The salaries funded by federal grants are approved by the board as documented in the board minutes and</u> the district maintains the required time and activity reports. | | | 1 | 0 | payroll records |
| D3g: <u>The district promptly, but at least quarterly, remits interest earned on federal funds over \$100 per year.</u> | | | 1 | 0 | |
| D4: The district provides proper oversight and accounting by capital project of Bond Referendum and other Fund 30 capital projects, including: | | | | | |
| D4a: The district maintains separate accounting by project. | CAFR, AMR, accounting system/reports by capital project, project files, voter or other requisite approval to spend above authorized amount, report of available balances, board minutes | 2 | 1 | 0 | Bd Sect Report |
| D4b: The district regularly monitors detailed accounts and oversees change orders (e.g. voter approval if a bond referendum) to ensure/certify funds are available. | | | 1 | 0 | Bd Sect Report |
| D4c: The district spends within the authorized amount, unless proper approvals have been received to raise additional funds to augment the authorized amount. | | | 1 | 0 | Bd Sect Report |
| D4d: The district conducts the proper fiscal close-out of completed projects. This includes proper transfer of interest earned annually to the debt service and/or general fund. | | | 1 | 0 | Bd Sect Report |
| Total Section D | | 15 | 15 | 0 | |

| SECTION E: EFFICIENCY: The district participates in programs and implements operating measures to promote the efficient expenditure of funds. | Suggested Documentation | Point Value | District Score | County Score | Comments |
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To attain points for question E1 below, the district must answer “yes” to a minimum of four sub-indicators. Partial points are not awarded for this indicator.

E1: The district participates in a minimum of four of the following programs:

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| E1a: Federal E-rate program | E-Rate and funding award documentation, ACES agreement, ACT agreement, share services agreements, cooperative/joint purchasing agreements | 2 | 1 | 0 | E-Rate Exchange |
| E1b: Alliance for Competitive Energy Services (ACES), or documented rate better than ACES | | | 1 | 0 | Oct 2009 minutes, elec only, no gas in building |
| E1c: Alliance for Competitive Telecommunications (ACT), or documented rate better than ACT | | | 1 | 0 | |
| E1d: Transportation Jointure | | | 1 | 0 | Pinelands |
| E1e: Shared services arrangements with other districts or municipalities for items such as snow removal, ground maintenance, administrative positions, etc. | | | 1 | 0 | Pinelands |
| E1f: Cooperative/joint purchasing arrangements with other districts or municipalities for goods and services other than those listed above, such as supplies. | | | 1 | 0 | |
| E1g: Sending/receiving relationships with neighboring districts to provide educational programs to individual students with special needs. | | | 1 | 0 | Pinelands |
| E1h: Other: Please describe: | | | 1 | 0 | |

To attain points for question E2 below, the district must answer “yes” to a minimum of four sub-indicators. Partial points are not awarded for this indicator.

E2: The district operations include four or more of the following circumstances:

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| E2a: Every general (K-12) instruction classes has 15 or more students. | Class sizes, detailed ledger (accounting of overtime), board policy/plan for special education placements, CAFR (food service transfer), CAFR (report of state and federal assistance), close-out reports, analysis of alternatives and quotes received prior to renewal of group and health insurance. | 3 | 1 | 0 | |
| E2b: Overtime for any given function represents less than 10% of actual expenditures on base salaries of that function. | | | 1 | 0 | |
| E2c: The child nutrition program operates without a general fund transfer or subsidy. | | | 1 | 0 | |
| E2d: District is at or below the median spending for administration as reported (actuals) in the most recent Comparative Spending Guide. | | | 1 | 0 | |
| E2e: Prior to each renewal, the district receives alternative quotes for health plan for maximum savings, including a demonstration of savings greater than participation in a Joint Insurance Fund or NJ Health Plan. | | | 1 | 0 | |
| E2f: The district receives alternative quotes prior to any annual award of a contract for professional services. | | | 1 | 0 | |
| E2g: The district offers distance learning, virtual classrooms, and/or allows students to share educational services with other educational entities where more efficient. | | | 1 | 0 | |
| E2h: Other: Please describe | | | | 1 | 0 |
| E3: The district participates in the Special Education Medicaid Initiative (SEMI) or the Medicaid Administrative Claiming Program or receives a waiver of the SEMI program. | SEMI application and funding documentation | 2 | 1 | 0 | waiver |
| E4: The district has reduced the number of out-of-district segregated placements by developing appropriate in-district programs and services or there are no out-of-district placements. | Board minutes, in-district programs and services, plans | 2 | 1 | 0 | |
| E5: The district does not incur extra charges or fees for late payments or other operational actions. | Detailed ledger | 1 | 1 | 0 | |
| Total Section E | | 10 | 10 | 0 | |

| Fiscal Management District Performance Review | | District Score | County Score |
|--|------------|-----------------------|---------------------|
| Total Section A: Budget Planning | 10 | 10 | 0 |
| Total Section B: Financial and Budgetary Control | 40 | 40 | 0 |
| Total Section C: Annual Audit | 25 | 25 | 0 |
| Total Section D: Restricted Revenues | 15 | 15 | 0 |
| Total Section E: Efficiency | 10 | 10 | 0 |
| Total | 100 | 100 | 0 |