

BUSINESS OPERATIONS  
BUDGET/BUDGETING SYSTEM

Budget Planning and Preparation

Since the Board of Directors considers the budget to be the financial reflection of the longrange plan for the Association, the budget shall be designed to carry out that plan in a thorough and efficient manner and to meet the goals and objectives of the Association.

Authority: BD 6/84

Purpose of the Budget

The annual budget of the NJSBA shall be viewed as a financial translation of current and longrange goals and shall reflect the priorities of those goals. The budget shall provide for the services planned for the fiscal year and for meeting the long and shorrange objectives in the annual report.

The budget shall:

- A. Indicate the purposes served in terms of dollar costs;
- B. Serve as a means of financial control;
- C. Protect the continuance of the service programs for a specific period of time;
- D. Indicate where and when changes in the current operation must be made to realize specific objectives;
- E. Provide the Board of Directors with the authority to make expenditures within a pattern established by a predetermined service program; and
- F. Provide a base from which to build longrange projections.

The annual budget process also serves as an important means of communication with the officers, board of directors and staff.

In order to ensure adequate time for preparation and review of the proposed budget, the executive office shall develop a timeline for the presentation and adoption of the budget. In the preparation of the budget, the Executive Director shall confer with key personnel as necessary. The Executive Director shall direct preparation of the tentative budget which is to be presented to the finance committee for discussion and recommendation.

The Association's operating budget, when presented to the finance committee for review, shall contain:

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- A. The proposed expenditure for each program requested for the ensuing year;
- B. The anticipated yearend expenditure for the current year;

Purpose of the Budget (continued)

- C. The actual expenditure for each existing program from the last completed year;
- D. A description of each program;
- E. Anticipated revenue by sources and amount;
- F. Amount of surplus anticipated at the end of the current fiscal year;
- G. Total staff salaries, with proposed percentage range increases and the proposed sum of money to be allocated; and
- H. All other expenses projected for the coming year, anticipated for the present year and incurred in the preceding year.

Authority: BD 6/84

Organization of Budget

The NJSBA budget shall be developed by category, i.e., within established guidelines as set forth in regulations supporting this policy.

Authority: BD 10/90