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**NEW JERSEY STATE
DEPARTMENT OF EDUCATION**

**PRIVATE SCHOOLS FOR THE DISABLED
PRESCRIBED FINANCIAL REPORT
N.J.A.C. 6A:23-4.4(a)11**

Division of Finance
Office of Fiscal Policy and Planning

PRESCRIBED FINANCIAL REPORT

The objective of the prescribed financial report is to provide the private school for the disabled with a mechanism to determine a per diem tuition rate on an annualized basis. The expenditures, revenues, and average daily enrollment are presented on a year-to-date basis to allow an annualized per diem tuition rate. This report will provide management the opportunity to compare the tentative per diem tuition rate actually charged during the school year to a year-to-date (YTD) per diem tuition rate reflected in the financial records. This report is based on a July to June school year and must reflect the year-to-date expenditures, revenues and enrolled days for the year-to-date time period.

INSTRUCTIONS

1. The following schedules comprise the “Financial Report” as prescribed by the New Jersey State Department of Education per N.J.A.C. 6A:23-4.4(a)11. These schedules include the following:
 - A) Expenditure Report.
 - B) Enrollment Computation - Computation of YTD ADE.
 - C) Statement of Revenues and Expenditures.
 - D) Per Pupil Cost Computations – Profit/Non-Profit.
2. Acceptance of the “Financial Report” shall be documented in the minutes of the Board of Directors meetings. The “Financial Report” shall be prepared and submitted, at a minimum, on a quarterly basis to the private school’s governing body and must be submitted, at a minimum, for the following quarter ending dates: 1) September 30; 2) December 31; 3) March 31; and 4) June 30. The report should be completed no later than 30 days after the reporting period ending date.
3. Pages 1 through 5, “Expenditure Report.”
 - A) Enter the name of the school on the line at the top of page 1.
 - B) Enter in column D, lines 1 through 221, all the expenditures incurred during the year-to-date reporting period by the line accounts indicated. The term expenditures include total charges incurred, whether paid or unpaid, less refunds (Expenditure = Cash Disbursements plus obligations/accounts payable minus refunds). Enter only those expenditures, which are in compliance with N.J.A.C. 6A:23-4.1 et seq.
4. Page 6, “Enrollment Computation”

- A) A “public school placement” is a pupil whose tuition is paid by a New Jersey school district or a New Jersey state agency. A “private placement” is a pupil whose tuition is paid by a source other than a New Jersey school district or New Jersey state agency such as but not limited to the following: a parent, guardian, an out-of-state school district, an out-of-state agency or funded by the private school the pupil is attending.
- B) Private schools without private placements. For the purpose of this statement, the Year-to-Date ADE is calculated by adding the total year-to-date enrolled days for all students as reflected in the school registers and dividing by the number of possible enrolled days for one pupil (July through June school year, includes the ten month and extended school years). Enrolled days are the total days both present and absent from the time a student is enrolled for services until the student is terminated by the private school or withdrawn by the sending district (see State contract for billing and enrollment procedures upon termination or withdrawal). No amount should appear in column B.
1. Enter in column A, lines 1-19, by school register the total number of possible enrolled days for all pupils in that register for the year-to-date period.
 2. Total the number of enrolled days inserted in column A, lines 1-19 and insert the result on line 20 (Total Enrolled Days) and in the Computation of YTD ADE on line 1, columns A and C.
 3. Insert on line 2, columns A and C the number of enrolled days for one pupil in the July through June school year and divide by line 1 by line 2, columns A and C and enter the result on line 3, columns A and C. Round to the nearest four decimal places.
 4. Line 4 is not part of this calculation if the school does not have private placements.
- C) Private schools with private placements. For the purpose of this statement, the Year-to-Date ADE is calculated by adding the total year-to-date enrolled days for all students as reflected in the school registers and dividing by the number of possible enrolled days for one pupil (includes the ten month and extended school years). Enrolled days are the total days both present and absent from the time a student is enrolled for services until the student is terminated by the private school or withdrawn by the sending district (see State contract for billing and enrollment procedures upon termination or withdrawal).
1. Enter on lines 1-19, by school register the total number of possible enrolled days for public school placements in column A and private placements in column B for the year-to-date period.
 2. Total the number of enrolled days inserted in columns A and B, lines 1-19 and insert the results on line 20, columns A and B and on line 1, (Total Enrolled Days) columns A and B in the Computation of the YTD ADE. Add line 1, columns A and B and insert the result on line 1, column C.
 3. Insert on line 2, columns A, B and C, the number of enrolled days for one pupil in the July through June school year and divide line 1, columns A, B and C by line 2, columns A, B and C. Enter the results on line 3, columns A, B and C. Round to the nearest four decimal places.

4. Divide line 3, columns A and B by line 3, column C and insert the results as a percentage (2 decimal places) on line 4, columns A and B. The public school placement percentage from line 4, column A and private placement percentage column B are used to allocate costs on the Statement of Revenue and Expenditures. Please refer to item 5B for additional instructions.
5. **IMPORTANT:** A pupil enrolled in a preschool program (ten hours per week of pupil instruction), a half-day program or enrolled in a full day program on a shared time basis shall not have a maximum average daily enrollment in excess of 0.5 for the entire school year. A pupil enrolled in one of these programs shall be considered as a half-day enrollment for each day of the week.

5. Page 7, "Statement of Revenues and Expenditures."

A) Private schools without private placements

1. Enter in column C, lines 222, 224-226 all revenues accrued during the year-to-date period by category. The term revenues include total charges for services, whether received or receivable.
2. Total column C to determine the "Total Revenue" and insert the amount on line 227.
3. Enter in column C, lines 228 through 253, all expenditures for the year-to-date period by account series totals as reflected on pages 1 through 5.
4. Total column C to determine "Total Expenditures" and insert the results on line 254 and 256 "Total Net Expenditures". There is no entry on line 255 since there are no adjustments necessary as a result of private placements.
5. In column C, subtract the amount listed on line 256 "Total Net Expenditures" from the amount listed on the "Total Revenues", line 227 and enter the result on the line "Excess (Deficit) Revenues Over Expenditures". If the expenditures exceed revenues, the balance over expended must be bracketed to indicate a negative (deficit) balance.

B) Private schools with private placements

1. Enter in columns C through E, lines 222-226 all revenues accrued during the year-to-date period by category. The term revenues include total charges for services, whether received or receivable.
2. Total columns C through E to determine "Total Revenue" and insert the results on line 227.
3. Enter in columns C and E, lines 228 through 253, all expenditures for the year-to-date period by account series totals as reflected on pages 1 through 5.
4. Total columns C and E, "Total Expenditures" and insert the results on line 254.
5. The following directions are used to allocate costs between column C (Public school placements) and column D (Private placements) from column E (Total). Multiply line 254 column E (Total) by the private placement percentage on page 6, line 4, column B. Insert the result in column D, line 255 and insert the same amount as a negative number in column C, line 255. For instance, if line 254, column E was \$100,000 and the percentage on page 6, line 4, column B is 15%, then \$15,000 would be inserted into column D, line 255 and a negative (\$15,000) would be inserted into column C, line 255.

6. Add lines 254 and 255, columns C, D and E and insert the results on line 256, "Total Net Expenditures", by column. Subtract line 256 from the amounts listed on line 227, "Total Revenues" in columns C, D and E, and enter the results on the line "Excess (Deficit) Revenues Over Expenditures" by column. If the expenditures exceed revenues, the balance over expended must be bracketed to indicate a negative (deficit) balance.
 7. A private school has the option of applying the private placement percentage on page 6, line 4, column B to each line separately (228 through 253). If a school chooses this option, line 255 will not be used and lines 254 and 256 will be the same.
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6. Page 8, "Per Pupil Cost Computations" for a profit-making school.
 - A) Enter on line 257, the Total Public School YTD Expenditures from page 7, line 256, column C. Multiply line 257 by line 258 (1.025) to determine the Total Public School YTD Expenditures and Surcharge and enter the amount on line 259.
 - B) Enter on line 260, the Public School YTD ADE from page 6, line 3, column A. Divide line 259 by line 260 to determine the YTD Per Pupil Tuition Rate and enter the amount on line 261.
 - C) Enter on line 262, the Enrolled Days for one pupil from page 6, line 2, column A. Divide line 260 by line 262 and enter the result on line 263. This amount is the YTD Per Diem Tuition Rate.
 - D) Enter on line 264, the Tentative Per Diem Tuition Rate Charged which is the per diem rate the private school is charging the school districts for the school year.
 7. Page 9, "Per Pupil Cost Computations" for a non-profit school.
 - A) Enter on lines 265, 273 and 278, the Total Public School YTD Expenditures from page 7, line 256, column C.
 - B) Multiply line 273 by line 274 to determine the Maximum Working Capital and enter the result on line 275.
 - C) Enter on line 276, the prior year working capital balance from the previous year's 6/30/____ audit report. Subtract line 276 from line 275 and enter the result on line 277, "Working Capital A." NOTE: Depending on the prior year working capital fund balance and the time period this report is prepared, the calculation of line 277, "Working Capital A" may result in a negative amount. A negative amount in "Working Capital A" will occur in the first three quarters of reporting (September, December, March) in a school with a prior year working capital fund balance close to the 15% maximum unless expenditures increase from the prior year. In these cases, the private school has the option of inserting a zero on line 266 "Add: Maximum Working Capital" in order to present a YTD Per Diem Tuition Rate based on the expenditures alone. However, the school's management must be aware that at year-end (June 30), if line 277 "Working Capital A" results in a negative amount, this amount must be deducted from the

school's Total Public School YTD expenditures to determine the YTD Per Diem Tuition Rate on this report and in the audited financial statements. See footnote (1).

- D) Multiply line 278 by line 279, Maximum Working Capital Percentage and insert the result on line 280, Working Capital B. Insert the lessor of lines 277 (Working Capital A) and 280 (Working Capital B) on lines 281 and 266. This may be a negative amount.
- E) Add line 265 and 266 and insert the result on line 267 Total Public School YTD Expenditures and Working Capital.
- F) Enter on line 268, the Public School YTD ADE from page 6, line 3, column A.
- G) Divide line 267 by line 268 and enter the result on line 269, the YTD Per Pupil Tuition Rate.
- H) Enter on line 270, the Enrolled Days for one pupil from page 6, line 2, column A.
- I) Divide line 269 by line 270 and enter the result on line 271. This amount is the YTD Per Diem Tuition Rate.
- J) Enter on line 272, the Tentative Per Diem Tuition Rate Charged which is the per diem rate the private school is charging the school districts for the school year.