

Strauss Esmay Series 6000 Finances

6000- TABLE OF CONTENTS

Number	Title
6141	Tax Revenues
6150	Tuition Income
6160	Grants from Private Sources
6220	Budget Preparation
6230	Budget Hearing
6320	Purchases Subject to Bid
6340	Multiple Year Contracts
6421	Purchases Budgeted
6422	Purchases Not Budgeted
6440	Cooperative Purchasing
6450	Choice of Vendor
6460	Vendor Relations
6470	Payment of Claims
6480	Purchase of Food Supplies
6510	Payroll Authorization
6520	Payroll Deductions
6620	Petty Cash*
6630	Athletic Fund
6640	Cafeteria Fund
6650	Scholarship Fund
6660	General Organization Fund*
6700	Investments
6810	Financial Objectives
6820	Financial Reports
6830	Audit

6111- SPECIAL EDUCATION MEDICAID INITIATIVE (SEMI) PROGRAM

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Every New Jersey school district, with the exception of any district that obtains a waiver of the requirements of N.J.A.C. 6A:23A-5.3 pursuant to the procedures set forth at N.J.A.C. 6A:23A-5.3(b), shall take appropriate steps to maximize its revenue from the Special Education Medicaid Initiative (SEMI) Program by following policies and procedures to maximize participation in the program as set forth in N.J.A.C. 6A:23A-5.3(d) and to comply with all program requirements as set forth in N.J.A.C. 6A:23A-5.3(e).

The school district may seek, in the pre-budget year, a waiver of the requirements of N.J.A.C. 6A:23A-5.3 in accordance with the procedures as outlined in N.J.A.C. 6A:23A-5.3(b). As part of the annual budget information, the Department of Education shall provide each school district with a projection of available SEMI reimbursement for the budget year, as determined by the State Department of Treasury's third party administrator for SEMI.

Beginning with the 2009-2010 school year, the school district shall recognize as revenue in its annual school district budget no less than ninety percent of the projection provided by the Department of Education. The district may seek approval from the Executive County Superintendent to use its own projection of SEMI reimbursement upon demonstration that the numbers it used in calculating the projection are more accurate than the projection provided.

The school district shall strive to achieve maximum participation in the SEMI program. "Maximum participation" means obtaining a ninety percent return rate of parental consent forms for all SEMI eligible pupils. Districts shall enter all pupils following their evaluations into the third-party system to identify the district's universe of eligible pupils. This can be done without parental consent.

Districts participating in the SEMI reimbursement program shall comply with program requirements as outlined in N.J.A.C. 6A:23A-5.3(e).

A school district that has less than ninety percent participation of SEMI eligible pupils in the pre-budget year or that has failed to comply with all program requirements set forth in N.J.A.C. 6A:23A-5.3(e) shall submit a SEMI action plan to the Executive County Superintendent for review and approval as part of the school district's proposed budget submission. The district's SEMI action plan shall include the components as outlined in N.J.A.C. 6A:23A:5.3(g).

Districts that did not achieve ninety percent participation or achieve their approved benchmarks in the SEMI program for a given budget year and cannot demonstrate that they fully implemented their Department of Education approved SEMI action plan, shall be subject to review for the withholding of State aid by the Commissioner pursuant to N.J.S.A. 18A:55-3 in an amount equal to the SEMI revenue projection based on their approved benchmark for the budget year, if applicable, less actual SEMI reimbursements for the budget year. The State aid deduction shall be made in the second subsequent year after the budget year.

N.J.A.C. 6A:23A-5.3

Adopted: 21 December 2009

6112- REIMBURSEMENT OF FEDERAL AND OTHER GRANT EXPENDITURES

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The Cash Management Improvement Act (CMIA) and related Federal regulations require a State to minimize the time elapsing between the transfer of funds from the United States Treasury and the expenditure of funds for program purposes. This requirement applies to grantees such as the State of New Jersey and their subgrantees, such as a school district. The State of New Jersey and school districts must assure funds have been, or will be, spent within a minimal amount of time after having been drawn from the Federal government.

In accordance with this requirement, the New Jersey Department of Education (NJDOE) has implemented a reimbursement request system of payment. The procedures as outlined in the New Jersey Department of Education Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures shall be followed by school districts in submitting reimbursement requests. Reimbursement requests for entitlement grant awards under Titles I, II-A, II-D, III, III Immigrant, IV and V of the No Child Left Behind Act (NCLB), the Individuals with Disabilities Education Act (IDEA), and the Carl D. Perkins Career and Technical Education Improvement Act of 2006 shall be made using the NJDOE's Electronic Web-Enabled Grant (EWEG) System.

Reimbursement requests by the School Business Administrator/Board Secretary or designee shall be made for individual titles and awards using the payment functionality of the EWEG system. Reimbursement requests shall be made for individual titles and awards and only one reimbursement request per month may be submitted for an individual title or award. Reimbursement requests may only be for expenditures that have already occurred or will occur by the last calendar day of the month in which the request is made.

The submission of a reimbursement request constitutes a certification by the School Business Administrator/Board Secretary that the school district has previously made the appropriate expenditures and/or will make the expenditures by the last calendar day of the month in which the request is made and that the expenditures are allowable and appropriate to the cost objective(s) of the subgrant. Reimbursement requests must be in accordance with approved grant applications.

The Superintendent of Schools or designee is responsible for submitting an amendment application to the NJDOE for approval if a new budget category for which no funds were previously budgeted or approved has been created. The Superintendent of Schools or designee is responsible for submitting an amendment application to the NJDOE for approval if cumulative transfers among expenditure categories exceed ten percent of the total award or \$50,000 for IDEA, Perkins, and NCLB (per title); whichever is less.

A reimbursement request may be submitted at any time after the subgrant has received final NJDOE approval. Reimbursement requests submitted at least ten business days before the end of the month but no later than the fifteenth day of the month will be reviewed and, if approved, processed for payment the first business day of the following month. School districts will normally receive payment by the fifth business day of the month and will be able to track the grant's payment history in EWEG through the payments link of the grant application.

Reimbursement requests must contain a brief description of the expenditures for which reimbursement is being requested. Individual line items need not be detailed. Expenditures must be supported by documentation at the school district level but should not be submitted to the NJDOE with a reimbursement request. The Superintendent of Schools or designee is responsible to maintain supporting documentation for seven years and for making it available to the NJDOE, the United States Department of Education, and/or their authorized representatives upon request. Documentation for salary expenditures is subject to the requirements of the applicable Federal Office of Management and Budget Circular: A-21, "Cost Principles for Educational Institutions;" A-87, "Cost Principles for State, Local, and Indian Tribal Governments;" A-122, "Cost Principles for Non-Profit Organizations;" and Education Department General Administrative Regulations (EDGAR). Documentation for all other expenditures must include evidence that the expenditures are allowable costs and of the relationship of the expenditure to the subgrant's cost objectives.

The NJDOE staff will review reimbursement requests to determine they meet the subgrant's criteria. When a reimbursement request is approved or denied, the school district will receive an email notification through the EWEG system. Approval of a reimbursement request by NJDOE does not imply approval of the expenditures as allowable or appropriate to the subgrant's cost objectives as the approval of expenditures will continue to be processed through the final report. The School Business Administrator/Board Secretary or designee assumes responsibility for assuring that all funds requested through the EWEG system either have already been expended, or will be expended according to the requirements of the CMIA.

New Jersey Department of Education Policies and Procedures for Reimbursement of Federal and Other Grant Expenditures – July 2008

30 March 2011 - 1st Reading

6141- TAX REVENUES

The Board of Education believes that the interests of district taxpayers as well as the interests of the educational program are best served by the orderly, planned transfer of tax revenues to the school district as such funds are required to pay the debts of the district.

The Board Secretary/School Business Administrator shall request the Municipal Treasurer to transfer tax revenues in anticipation of district expenditures in accordance with law and an annual schedule of transfer approved annually by this Board of Education.

N.J.S.A. 18A:7D-1 et seq.; 18A:17-34

N.J.S.A. 54:4-75

Adopted: 21 December 1995

6150- TUITION INCOME

The Board of Education shall charge and assess tuition for attendance in the schools of this district by pupils not entitled to receive a free public education in this district and whose enrollment has been approved by the Board.

Tuition rates will be determined and approved annually and will represent the cost per pupil in average daily enrollment, in accordance with law. Rates will be published to the sender before the beginning of the school year or before the pupil's attendance commences.

The Board Secretary/Business Administrator shall be responsible for the assessment and collection of tuition. Tuition billing will be made annually in advance of the period for which the billing is made and collected on a monthly basis. A pupil who attends more than one half in any billing period of a month will be charged for the full period.

Educational services will be terminated for any pupil whose tuition payment is more than 60 days overdue for a school district and 30 days overdue for individuals.

N.J.S.A. 18A:38-3; 18A:38-19; 18A:46-21

N.J.A.C. 6:20-3.1 et seq.; 6:28-7.7

Adopted: 21 December 1995

6160- GRANTS FROM PRIVATE SOURCES

The Board of Education encourages the development of proposals to private foundations and other sources of financial aid to subsidize such activities as innovative projects, feasibility studies, long-range planning, and research and development. Any such activity must:

1. Be based on a specific set of project objectives that relate to the established goals of the district.
2. Provide measures for evaluating whether or not project objectives are being achieved, and
3. Conform to applicable state and federal laws and to Board policies.

All grant proposals must be approved by the Board before being submitted to the funding agency. The Superintendent shall establish regulations for the processing of proposal ideas throughout the district.

Adopted: 21 December 1995

6220- BUDGET PREPARATION (M)

M

The annual budget is the financial plan for the effectuation of the educational plan for the district; its preparation is, therefore, one of the most important functions performed by the Board of Education. The budget shall be designed to carry out that plan in a thorough and efficient manner, to maintain school district facilities, and to honor continuing obligations of the district.

A proposed budget requires the critical analysis of every member of the Board during its preparation. The administration shall work with the Board to ensure Board members have a thorough understanding of the budget appropriations, budget revenue, the proposed educational program and the budget's impact to the local tax levy. The Board shall also provide for community input during the budget development process.

The annual school district budget and supporting documentation shall be prepared in accordance with the provisions of N.J.S.A. 18A:7F et seq. and N.J.A.C. 6A:23A-8.1 et seq. The Board will obtain approval of the local funding for a non-referendum capital project (school facility project or other capital project) in accordance with the provisions of N.J.A.C. 6A:23A-8.4.

The Board will submit its proposed budget and supporting documentation as prescribed by the Commissioner to the Executive County Superintendent for approval.

The budget will be presented to the Board of Education to allow adequate time for review and adoption. The budget should evolve primarily from the needs of the individual schools as expressed by the Building Principals and the district educational program as expressed by the central administrative staff and be compatible with approved district plans.

The Board shall include in the budget application to the Executive County Superintendent a complete reporting of revenues and appropriations and other requirements pursuant to N.J.S.A. 18A:22-8 and N.J.S.A. 18A:7F-5 through 63.

The Board, upon submission of its budget application to the Executive County Superintendent or by the statutory submission date, whichever is earlier, shall make available upon request for public inspection all budget and supporting documentation contained in the budget application and all other documents listed in N.J.A.C. 6A:23A-8.1 once the budget application has been submitted to the Executive County Superintendent for approval.

The budget as adopted for the school year pursuant to N.J.S.A. 18A:7F-5 shall be provided for public inspection on the district's Internet site, if one exists, and made available in print in a "user-friendly" plain language budget summary format in accordance with the provisions of N.J.A.C. 6A:23A-8.1(c).

All budgetary and accounting systems used in the school district must be in accordance with double entry bookkeeping and Generally Accepted Accounting Principles as required in N.J.A.C. 6A:23A-16.1 et seq.

N.J.S.A. 18A:7F et seq.; 18A:22-7 et seq.
N.J.A.C. 6A:23A-8.1 et seq.; 6A:23A-16.1 et seq.

Adopted: 21 December 1995

Revised: 25 July 2011

6230- BUDGET HEARING (M)

M

The annual budget adopted by the Board of Education and approved by the County Superintendent represents the Board's position on the allocation of resources required to operate a thorough and efficient system of education. All reasonable means shall be employed by the Board to present and explain that position to residents and taxpayers of the community. A public budget hearing will be conducted in accordance with law. Each member of the Board and each district administrator shall be sufficiently acquainted with the budget and its underlying purposes to answer questions from members of the public.

The approved budget will be made available to the public in the form and at the places required by law. A simplified form of the budget may also be prepared annually and may be sent to each district resident, each parent of a pupil in public school, and representative of community organizations and distributed to each person attending the annual budget hearing.

The simplified budget may include the expenditure in each major category of current expense, capital items, and debt service; any anticipated change in tax rates; a summary of anticipated receipts; information that voters may use in comparing budget provisions in this school district with those in comparable districts; brief explanations of significant increases and decreases from the preceding budget and important transfers of expenditures from one classification to another; and a letter of transmittal from the Board.

N.J.S.A. 18A:22-10 et seq.; 18A:22-37 et seq.

Adopted: 21 December 1995

6320- PURCHASES SUBJECT TO BID

Public school officials are subject to the provisions of State Law governing purchasing procedures. These procedures are outlined in N.J.S.A. Title 18A:18A and N.J.A.C. Title 6. The below policy guide is only a guide and presumed to be consistent with State Purchasing and Contacts Law. If the event of inconsistencies or omissions by this guide, State Law will be the final determining factor.

The Board of Education directs the establishment and conduct of bidding procedures that serve the public interest and provide each qualified vendor an equal opportunity to furnish supplies and equipment to the district.

Every contract for the performance of work or the purchase or lease of materials or supplies not exempted by law will be subject to public bidding whenever the aggregate value of such a contract within one fiscal year exceeds the bid threshold established by law. Whenever possible, purchases will be aggregated; purchases may not intentionally be divided to avoid the requirements for competitive bidding.

Bid specifications will be prepared by the Board Secretary/School Business Administrator and/or the Purchasing Agent. Each bid specification will offer a common standard of competition and will assert the Board's right to accept reasonable equivalents and to reject all bids and readvertise. The Board Secretary/School Business Administrator and/or the Purchasing Agent is authorized to advertise for bids in accordance with law without the prior approval of the Board. Records of advertisements will be kept in detail sufficient to show that a reasonable number of qualified vendors were invited to bid.

Bids shall be opened publicly by the Board Secretary/School Business Administrator and/or the Purchasing Agent before one or more witnesses at a previously advertised time and place. Contracts will be awarded, on a resolution duly adopted by the Board, to the lowest responsible bidder who submits the responsible bid, except that the Board may choose to reject all bids, and to readvertise. The Board may also purchase under a state contract. Whenever two or more bids are the lowest responsible bids submitted by responsible bidders, the Board shall determine to which bidder the contract will be awarded.

A bidder who discovers a mistake or omission after bids have been opened may withdraw the erroneous bid provided he or she gives immediate written notice of the mistake or omission and certification, supported by clear evidence, that he or she exercised reasonable care in the examination of the specifications and preparation of the bid. Any bidder who withdraws an opened bid shall forfeit any bid security deposited with the bid.

N.J.S.A. 18A:18A-1 et seq.

N.J.A.C. 6:20-7.1 et seq.; 6:20-8.1 et seq.; 6:21-15.1 et seq.

Adopted: 21 December 1995

Revised: 20 May 1996

6340- MULTIPLE YEAR CONTRACTS

The Board of Education will enter a multiple year contract for goods and services permitted by law whenever the extended contract will serve the needs of the district and yield greater return for the expenditure.

The Board Secretary/School Business Administrator is directed to investigate the advantage to the district of multiple year contracts. Investigation should include, but need not be limited to, a comparison of the costs of multiple year and single year contracts, an analysis of trends in the costs and availability of the goods or services to be provided, the projected needs of the district, and an inquiry into the reliability and stability of the vendor.

Except for those contracts exempted from the requirement by law, all multiple year contracts will contain a cancellation clause or a clause conditioning annual extension of the contract on the appropriation of sufficient funds to meet the Board's obligation.

All multiple year contracts must be approved by the Board. When the estimated annual cost of a multiple year contract exceeds the bid threshold established by law and the subject of the contract is not exempt from bidding, the contract shall be advertised in accordance with law and the bidding procedures of this district.

N.J.S.A. 18A:18A-42; 18A-42.1; 18A:39-3
N.J.A.C. 6:20-8.2

Adopted: 21 December 1995

6361- RELATIONS WITH VENDORS (M)

It is the purpose of this policy to implement the intent of the legislature to strictly limit the interest that officers and employees of the Board may have in purchases or contracts of the Board.

No person who is a member of this Board of Education, or who has whole or partial control or management of this district, or who is employed by this district, or who is otherwise officially connected with this district may have a direct or indirect interest in, nor be an agent for, or be in any way pecuniarily or beneficially interested in, or receive any compensation or reward of any kind for, or is a party either as principal or surety to, a sale, agreement, contract with or claim against the Board for the furnishing of any goods, chattels, supplies, textbooks, school apparatus or property of any kind whatsoever nor for the construction of any building or any improvement, the expense or consideration of which is paid by this school Board. This shall not prevent any person from receiving royalties upon the sale of any textbook of which he is the author.

The Board shall not knowingly purchase or contract for supplies, equipment or facilities from a firm in which an official or employee of this district, or a member of their family, has a principal interest. Stock holdings of more than 10% shall be defined as a principal interest for purposes of this policy.

No person as afore defined shall accept gifts from any individual, group or entity doing, or desiring to do, business with the district. All business-related gratuities are specifically prohibited except nominal value advertising items widely distributed.

N.J.S.A. 18A:6-8; 18A:12-2; 18A:18A-15(b)

Adopted: 21 December 1995

6421- PURCHASES BUDGETED

The School Business Administrator (SBA) shall carefully monitor payments for invoice amounts that are greater than the approved purchase order, in order to avoid overpayments. The SBA shall investigate, if necessary, the reason(s) for any increase to a purchase order. If it is found that such an increase is warranted the SBA shall either

1. Approve a revision to the original purchase order with the reason(s) noted;
2. Approve the issuance of a supplemental purchase order for the difference; or
3. Cancel the original purchase order and issue a new purchase order.

If it is found that such an increase is not warranted, the purchase order shall be canceled and the goods returned. In no instance shall an adjustment be made to a purchase order that changes the purpose or vendor of the original purchase order or a bid award price.

Financial systems will be programmed to:

1. Limit system access so that only appropriate business office staff may make purchase order adjustments;
2. Reject adjustments in excess of any established approval thresholds;
3. Prevent unauthorized changes to be processed;
4. Reject payments where the sum of the invoice amount plus any previous invoices charged to the purchase order exceeds the sum of the sum of the original purchase order amount plus any authorized adjustments;
5. Reject duplicate purchase order numbers;
6. Reject duplicate invoice numbers; and
7. Prepare an edit/change report listing all payments made in excess of the originally approved purchase order amount.

The SBA shall review on a monthly basis edit/change reports listing all payments made in excess of the originally approved purchase order amount to ensure that all payments made are properly authorized.

Adopted: 21 December 1995

Revised: 26 January 2009

6422- BUDGET TRANSFERS (M)

M

The laws of the state and the interest of the community demand fiscal responsibility by the Board of Education in the operation of the school district. The Board directs the implementation of such fiscal controls as will insure that public moneys are not disbursed in amounts in excess of the funds provided to this district and that expenditures do not exceed the amount budgeted for each line item account.

A line item account is defined as the lowest (most specific) level of detail in the appropriation or expenditure classification.

Transfer of funds

When funds allocated to or remaining in a line item account are insufficient for a proposed expenditure, the Superintendent shall request Board approval for the transfer of sufficient funds to meet the expenditure except that the Superintendent may approve such transfers as are necessary between meetings of the Board

Emergency purchases

In the event of emergency, a purchase order may be authorized by the Board Secretary/School Business Administrator. An emergency occurs only when the time required for the Board lawfully to convene and take action would endanger life, cause the destruction of property, or seriously disrupt the educational program; it is not intended by this policy that emergencies shall be permitted to occur as the result of inadequate planning or delay. Any such emergency authorization shall be reported to the Board at its next meeting.

Overexpenditure of funds

The Board Secretary shall present the Board a certification each month that no line item account or program category account has been overexpended in violation of law or this policy. In addition, the Board, after review of the Board Secretary's monthly financial report, shall certify in the minutes that no major account or fund has been overexpended and that sufficient funds are available to meet the district's financial obligations for the remainder of the fiscal year.

If the Board Secretary reports an overexpenditure or the Board is unable to certify that no overexpenditure has been made, the Board shall eliminate the deficit by approving a resolution that transfers amounts among line item items and/or from the free balance.

An anticipated overexpenditure in the current expense, capital outlay, or debt services accounts will be reported immediately to the County Superintendent. The Superintendent will notify the County Superintendent of the projected amount of the anticipated overexpenditure, the reason or reasons for the overexpenditure, and the action being taken by the Board to avoid the overexpenditure. Any such corrective action will be recorded in the Board minutes.

In the event the Board has approved a budget with an expanded coding structure, the controls against overexpenditures established by this policy shall apply to all line item accounts, both

those at the minimum level of detail required by the State Department of Education and those that exceed that level of detail.

The Board recognizes that it is a crime of the fourth degree for a Board member to purposely and knowingly disburse, order, or vote for the disbursement of public funds in excess of appropriations or incur obligations in excess of appropriations and the limit of expenditure set by law.

N.J.S.A. 2C:30-4

N.J.S.A. 18A:18A-1 et seq.; 18A:22-8 et seq.

N.J.A.C. 6:20-2A.10; 6:20A-11, 6:20-8.5

Adopted: 21 December 1995

6440- COOPERATIVE PURCHASING

The Board of Education recognizes that centralized, cooperative purchasing tends to maximize the value received for each dollar spent. The administration is encouraged to seek savings that may accrue to this district by means of joint agreements for the purchase of goods or services with the governing body or bodies of other contracting units within this county or adjoining counties or by means of contracts entered into by the New Jersey State Treasury Department, Division of Purchase and Property.

The Board Secretary/School Business Administrator or his/her designee is hereby authorized to negotiate such joint purchase agreements for goods and services which the Board may determine to be required and which the Board may otherwise lawfully purchase for itself with such approved contracting units as may be appropriate in accordance with state law, the policies of this Board, and the dictates of sound purchasing procedures.

No cooperative or joint purchase may be entered without Board approval of an agreement that specifies the categories of equipment and supplies to be purchased; the manner in which bids will be sought and contracts awarded; the method by which payment will be made by each participating party, and such other terms as may be necessary to carry out the purposes of the agreement. Agreements for cooperative and joint purchasing will be subject to all bidding requirements imposed by law. Purchases made through the State Treasury Department may be made without bid.

Purchasing Manual

The Board of Education shall adopt annually, a purchasing manual to be used as a guide to proper and legal purchasing of goods and services.

N.J.S.A. 18A:18A-10 et seq.
N.J.A.C. 6:20-8.7

Adopted: 21 December 1995

6450- CHOICE OF VENDOR

The Board of Education recognizes its position as a major purchaser of goods and services in the community served by the school district. It is the intention of the Board to purchase goods and services of the requisite quality at the lowest possible cost and to invite widespread competition in order to achieve this end. Where all other considerations are equal, however, the Board will exercise a preference for dealing with established local merchants and service providers from within the boundaries of the school district.

The Board Secretary/School Business Administrator or his/her designee is authorized to place purchase orders with local merchants and providers when their prices and terms are competitive with other vendors. Nothing in this policy shall be deemed to circumvent the requirements of law regarding public purchasing.

N.J.S.A. 18A:6-8; 18A:12-2; 18A:18A-15(b)

Adopted: 21 December 1995

6470- PAYMENT OF CLAIMS (M)

M

The Board of Education directs the prompt payment of legitimate claims by suppliers of goods and services to the school district, provided that each bill or obligation of this Board is fully itemized and verified before a warrant is drawn for its payment.

When an invoice is received, the School Business Administrator/Board Secretary or designee shall verify the voucher is properly submitted, acceptable goods were received or satisfactory services rendered, the expenditure is included in the Board's budget and funds are available for its payment, and the amount of the invoice is correct.

The School Business Administrator/Board Secretary shall identify and investigate, if necessary, the reason for any increase to a purchase order. If it is found by the School Business Administrator/Board Secretary that an increase to a purchase order is warranted, the School Business Administrator/Board Secretary shall either approve a revision to the original purchase order with the reason noted, approve the issuance of a supplemental purchase order for the difference, or cancel the original purchase order and issue a new purchase order. If it is found an increase is not warranted, the purchase order shall be cancelled and the goods returned. In no instance shall an adjustment be made to a purchase order that changes the purpose or vendor of the original purchase order or a bid award price.

The school district's financial systems shall be programmed to:

1. Limit system access so that only appropriate Business office staff may make purchase order adjustments;
2. Reject adjustments in excess of any established approval thresholds;
3. Prevent unauthorized changes to be processed;
4. Reject payments where the sum of the invoice amount plus any previous invoices charged to the purchase order exceeds the sum of the original purchase order amount plus any authorized adjustments;
5. Reject duplicate purchase order numbers;
6. Reject duplicate invoice numbers; and
7. Prepare an edit/change report listing all payments made in excess of the originally approved purchase order amount.

The School Business Administrator/Board Secretary shall review on a monthly basis edit/change reports listing all payments made in excess of the originally approved purchase order amount to ensure that all payments made are properly authorized.

If funds are not available in the budget line account to which the expenditure will be charged, funds may be transferred in accordance with Policy 6422.

[Select One Option Below

The Board must approve all claims for payment, except such payments that are to be paid from funds derived from athletic events or other activities of pupil organizations. However, in accordance with N.J.S.A. 18A:19-4 and N.J.S.A. 18A:19-4.1, the Board may by Board resolution designate a person in addition to the Board Secretary to audit any account and demand to be paid, and provide for approval of such account or demand by such designated person or the Board Secretary prior to presentation to the Board. Any such approval of payment must be presented to the Board for ratification at the next regular Board meeting. The Board may, in the resolution, establish a maximum dollar amount for which payment may be authorized without prior Board approval.]

All claims shall be fully itemized, verified, and shall be submitted for Board review and approval or ratification. Claims must be submitted to the Board in the form of a list that includes the number, amount, and date of the warrant; the payee; the reason for the expenditure; and the account charged. All claims that equal or exceed fifteen percent of the bid threshold amount established pursuant to N.J.S.A. 18A:18A-3, except for payrolls and debt service, shall be verified by affidavit or by signed declaration in writing in accordance with the provisions of N.J.S.A. 18A:19-3.

The list of claims must be accompanied by the original records that include copies of the purchase order, the receiving report, the vendor's invoice, and the purchase requisition. The list of approved warrants will be included in the minutes of the Board meeting.

When a claim for payment is duly approved in accordance with this Policy, the School Business Administrator/Board Secretary and/or a designated staff member shall promptly prepare a warrant for payment, cancel the commitment placed against the appropriate account, and post the actual expenditure. All warrants shall be signed by the Board President, Board Secretary, Superintendent of Schools, and/or Treasurer of School Moneys, as appropriate to the district.

N.J.S.A. 18A:17-36; 18A:18A-3; 18A:19-1 et seq.; 18A:19-3;
18A:19-4; 18A:19-4.1; 18A:22-8.1
N.J.S.A. 18A:54-26 [**vocational districts**]
N.J.A.C. 6A:23A-6.10

Adopted: 21 December 1995

Revised: 24 September 2012

6471- SCHOOL DISTRICT TRAVEL (M)

M

A. Travel and Related Expenses/Purpose of Travel

Travel reimbursement will be paid only upon compliance with the board's policy provisions and approval requirements. Board members and employees shall only be reimbursed for work-related travel that is directly related to and within the scope of the board member's and employee's current work responsibilities. Board members and employees shall only be reimbursed for travel that:

1. Promotes the delivery of instruction and is critical to the instructional needs of the school district or furthers the efficient operation of the school district;
2. Is educationally necessary and fiscally prudent; and
3. Is directly related to and within the scope of the board member's current responsibilities, and for school district employees, the school district's professional development plan, the school building professional development plan and/or the employee's individual professional development plan. Ref. N.J.A.C. 6A:23A-7.2(c)

As described in this policy, school district travel expenditures include, but are not limited to, all costs for transportation, meals, lodging, and registration or conference fees to and from the travel event. School district travel expenditures include costs for all required training and all travel authorized in existing school district employee contracts and school board policies. This includes, but is not limited to, required professional development and other staff training, required training for new school board members, and attendance at specific conferences authorized in existing employee contracts. Ref. N.J.A.C. 6A:23A-7.1(d), (e)

B. Types of Travel Events

The Board of Education recognizes the various types of travel listed in New Jersey Circular 08-19 OMB, N.J.S.A. 18A:11-12, et seq. and N.J.A.C. 6A:23A-5.9 to include, but not limited to the following:

1. Training and Seminars

"Training and seminars" means all regularly scheduled, formal residential or non-residential training functions, conducted at a hotel, motel, convention center, residential facility, or at any educational institution or facility.

2. Conventions and Conferences

"Conventions and conferences" means general programs, sponsored by professional associations on a regular basis, which address subjects of particular

interest to a school district or are convened to conduct association business. The primary purpose of employees attendance at conferences and conventions is the development of new skills and knowledge or the reinforcement of those skills and knowledge in a particular field related to school district operations. These are distinct from formal staff training and seminars, although some training may take place at such events.

3. School District Sponsored Events

“School district sponsored events” means conferences, conventions, receptions, or special meetings, where the school district plans, develops, implements, and coordinates the event and is the event’s primary financial backer. School district employees are actively involved in working the event and other employees may attend as participants.

4. Regular School District Business Travel

“Regular school district business” means all regular official business travel, including attendance at meetings, conferences and any other gatherings which are not covered by the definitions included in above subparagraphs. However, regular school district business travel does include attendance at regularly scheduled in-state county meetings and Department sponsored or association sponsored events provided free of charge. Regular school district business travel also includes regularly scheduled in-state professional development activities with a registration fee that does not exceed \$150 per employee or board member.

5. Retreats

“Retreats” means meetings with school district employees and school board members, at which organizational goals and objectives are discussed. Retreats are to be held at a district site unless there is no district site available. N.J.S.A. 18A:11-12(1-d). Ref. N.J.A.C. 6A:23A-1.1

C. Approval of Travel Procedures – Employees

1. Prior Approval Procedures

All travel for employees shall occur only upon prior approval by the

- a. Superintendent of Schools;*
- b. Board of Education – Five (5) votes minimum; and
- c. Executive County Superintendent -- Six (6) or more individuals travel to same event or the total cost exceeds \$5,000.00 – Out of State Travel only.

*The Assistant Superintendent is designated as an alternate approval authority in the absence of the Superintendent. Ref. N.J.A.C. 6A:23A-7.4(a-1)

The Board of Education is prohibited from approving a travel resolution after the travel has been completed. All travel resolutions must be approved prior to the travel event. Travel reimbursement payments will be paid only upon compliance with N.J.S.A. 18A:11-12 et seq., N.J.A.C. 6A:23A-7 and this policy. The board of education shall not ratify or approve payments or reimbursements for travel after the completion of the travel event except as provided in N.J.A.C. 6A:23A-7.4(d). Ref. N.J.A.C. 6A:23A-7.2(d)

2. Executive County Superintendent Approval – Out of State Travel Only

Pursuant to N.J.A.C. 6A:23A-5.9(c), written approval is needed from the Executive County Superintendent if:

- a. Out of state travel event has a total cost that exceeds \$5,000 – regardless the number of attendees; or where
- b. Six (6) or more individuals from the district are to attend the same out of state travel event.

3. Out of Country Travel - Approval

For all employee and board member travel events out of the country, regardless of cost or number of attendees, the school district shall obtain the prior written approval of the Executive County Superintendent. Such requests must be supported by detailed justification. It is expected that approvals will be rare. Ref. N.J.A.C. 6A:23A-5.9(d)

4. Unforeseen Travel Situations - Approval

Where occasional unforeseen travel situations arise wherein a travel request cannot obtain prior approval of the board, justification shall be included in the text of the travel request.

- a. Such requests shall require written approval of the Superintendent, or designee, and the Executive County Superintendent or designee.
- b. The Board shall ratify the request at its next regularly scheduled meeting.
- c. Travel to conferences, conventions and symposiums are not considered to be emergencies and shall not be approved after the fact. Ref. N.J.A.C. 6A:23A-7.4(e)

D. Board of Education Members -- Travel Provisions – Approval Process

All Board of Education members are subject to the terms and conditions listed in this Board policy and N.J.S.A. 18A:11-12 et seq. and N.J.A.C. 6A:23A-7.1 et seq., with the following specifically noted:

1. Approval of Travel – Prior Approval Needed – Ref. N.J.A.C. 6A:23A-7.4(b)

All travel for board members shall occur only upon prior approval by a majority of the full voting membership of the Board and the travel shall be in compliance with N.J.S.A. 18A:12-24 and N.J.S.A. 18A:12-24.1.

Pursuant to N.J.A.C. 6A:23A-5.9(c), written approval is needed from the Executive County Superintendent if:

- a. An out of state travel event has a total cost that exceeds \$5,000 – regardless the number of attendees; or where
- b. Six (6) or more individuals from the district are to attend the same out of state travel event.

2. Voting on Travel

Board members must recuse themselves from voting on travel where the board member, a member of his immediate family, or a business organization in which he has an interest, has a direct or indirect financial involvement that might be expected to impair his objectivity or independence of judgment.

No board member shall act in his official capacity in any matter where he or a member of his immediate family has a personal involvement that is or creates some benefit to the school official or member of his immediate family; or undertake any employment or service, whether compensated or not, which might reasonably be expected to prejudice his independence of judgment in the execution of his official duties. Ref. N.J.S.A. 18A:18A:11-12(4k)(4l)

The Board of Education is prohibited from approving any travel resolution after the travel has been completed.

E. Approval of Travel – Documentation Required

Neither the Superintendent or designee, nor the board shall approve a travel request unless it includes the following information:

1. Name and dates of event.
2. A list of Board members and/or employees to attend either by name or title.
3. Justification of the importance of these individuals attending the event.
4. Estimated cost associated with travel. (If lodging is shared with others, the fact must be stated.)
5. Copy of agenda or itinerary for travel and subsequent schedule of events.

6. A brief statement that includes the primary purpose of the travel and the key issues that will be addressed at the event and their relevance to improving instruction or the operation of the school district.
7. For training events, whether the training is needed for a certification required for continued employment, continuing education requirements, requirements of federal or state law, or other purpose related to the programs and services currently being delivered or soon to be implemented in the school district; or related to school district operations.
8. Account number and funding source – federal, state, private or local.
9. In the case of annual events, total attendance and cost for previous year.

Detailed documentation shall be maintained on file in the school district which demonstrates compliance with the board's travel policy, including travel approvals, reports and receipts for all school district funded expenditures, as appropriate. Ref. N.J.A.C. 6A:23A-7.5

F. Travel Routing

All travel shall be by the most direct, economical and usually-traveled route. Travel by other routes as a result of official necessity shall only be eligible for payment or reimbursement if satisfactorily established in advance of such travel.

In any case where a person travels by indirect route for personal convenience, the extra expense shall be borne by the individual.

Reimbursement for expenses shall be based only on charges that do not exceed what would have been incurred by using the most direct, economical and usually-traveled route.

G. Travel Methods

For the purposes of these rules, "transportation" means necessary official travel on railroads, airlines, shuttles, buses, taxicabs, school district-owned or leased vehicles and personal vehicles.

The purchase or payment of related transportation expenses shall be made by purchase order or personally by a school district employee, board of education member and reimbursed at the conclusion of the travel event. An actual invoice or receipt for each purchase or expense shall be submitted with a claim for reimbursement.

1. Quotation Needed

Air and rail tickets shall be purchased via the Internet, if possible, using airline or online travel services such as Travelocity, Expedia or Hotwire after documentation of quotes from at least three airlines and/or online services.

2. Air Travel

Air travel shall only be authorized when determined that it is necessary and advantageous to conduct school district business.

- a. The most economical air travel should be used, including the use of discounted and special rates.
- b. The following options should be considered when booking tickets:
 - (1) Connecting versus nonstop flights;
 - (2) Departing earlier or later compared to the preferred departure time;
 - (3) Utilizing alternative airports within a city, i.e., Chicago, Illinois – Midway Airport versus O’Hare Airport;
 - (4) Utilizing alternative cities, i.e., Newark versus Philadelphia.
 - (5) Utilizing “low cost” airlines; and
 - (6) Exploring alternate arrival and/or departure days.
- c. No employee or board member can earn benefits as a result of school district funded travel. Employees and board members are prohibited from receiving “Frequent Flyer” benefits accruing from school district funded travel.
- d. Airfare other than economy (i.e., Business or First Class) shall not be fully reimbursed by the school district except when travel in such classes:
 - (1) Is less expensive than economy;
 - (2) Avoids circuitous routings or excessive flight duration; or
 - (3) Would result in overall transportation cost savings.
- e. All airfare other than economy and not covered by the above exceptions purchased by an employee or board member shall only be reimbursed at the economy rate for the approved destination.
- f. Cost estimates on travel requests and associated authorizations shall be consistent with current airline tariffs, with consideration of available special fares or discounts, for the requested destination.
- g. Airline tickets shall not be booked until all necessary approvals have been obtained.

- h. Justification shall be required when actions by a traveler result in additional expenses over and above the authorized travel request. Sufficient justification shall be considered only for factors outside the control of the purchaser. Additional expenses without sufficient justification shall not be reimbursed.
- i. Justification shall accompany requests for airline ticket reimbursement when purchased by employees or board members contrary to the above regulations. Sufficient justification shall be considered only for factors outside the control of the purchaser. Noncompliant purchases without sufficient justification shall not be reimbursed. Reimbursement of purchases with sufficient justification shall be otherwise permitted and reimbursed in accordance with the above procedures.

3. Rail Travel

- a. Rail travel shall only be authorized when determined that it is necessary and advantageous to conduct school district business.
- b. The most economical scheduling of rail travel shall be utilized, including excursion and government discounts whenever applicable.
- c. When one employee or board member is traveling within the Northeast Corridor, NJ Transit shall be used as the rail option. Use of Amtrak will not be authorized unless it is the only means of travel available.
- d. The use of high speed rail services, such as Acela, shall not be authorized.
- e. When two or more employees and/or board members are traveling to the same event in the Northeast Corridor (between Boston, MA and Washington, DC), rail travel shall not be authorized. In those cases, the travelers must use a school district vehicle or, if not available, a personally-owned vehicle must be used.
- f. All rail travel, including rail travel in the Northeast Corridor must be processed in the same manner as prescribed for Air Travel above.

4. Automobile Vehicles

Use of a school district-owned or leased vehicle shall be the first means of ground transportation. Use of a personally-owned vehicle on a mileage basis shall not be permitted for official business where a school district-owned or leased vehicle is available.

- a. Mileage allowance in lieu of actual expenses of transportation shall be allowed at the rate authorized by the annual New Jersey State Appropriations Act, or a lesser rate at the board's discretion for an employee or board member traveling by his personally-owned vehicle on official business.

In accordance with the OMB circular, if any condition in an existing negotiated contract is in conflict with the circular, such as the mileage reimbursement rate, the provision of the contract will prevail.

Parking and toll charges shall be allowed in addition to mileage allowance.

Reimbursement for travel to points outside the state by automobile shall be permitted when such arrangements prove to be more efficient and economical than other means of public transportation.

In determining the relative costs of private and public transportation, all associated costs (i.e., tolls, taxicabs, airport or station transfers, etc.) shall be considered.

All employees and board members using privately-owned cars in the performance of their duties for the school district shall present a New Jersey Insurance Identification Card indicating that insurance coverage is in full force and effect with companies approved by the State Department of Banking and Insurance. The card shall be made available to the Superintendent of designee before authorization to use privately-owned cars.

Employees and board members who are out-of-state residents must provide appropriate insurance identification in lieu of the New Jersey Insurance Identification Card.

School district-owned or leased vehicles shall be utilized in accordance with N.J.A.C. 6A:23A-6.12.

5. Other Travel Methods

Necessary taxicab charges are permitted. However, travel to and from airports, downtown areas and between hotel and event site shall be confined to regularly scheduled shuttle service, whenever such service is complimentary or is less costly. If shuttle service is not available, taxicabs may be used.

Cruises shall not be permitted for travel events or transportation. Ref. N.J.A.C. 6A:23A-7.9

H. Subsistence Allowance

1. One Day Trips -- N.J.S.A. 18A:11-12(4n)

One day trips are not eligible for subsistence payment or reimbursement except for mileage; tolls and reasonable parking costs except as noted in NJ Circular 08-19 OMB and N.J.A.C. 6A:23A-7.11

2. Overnight Travel – Within New Jersey – Prohibited

In accordance with NJ Circular 08-19 OMB Section X-B
“No overnight travel is permitted within the State”

a. Exceptions

Pursuant to the OMB Circulars, generally, overnight travel shall not be eligible for subsistence reimbursement if travel is within the State. Overnight travel is permitted if such travel is authorized or is a required component of a grant, donation or other funding agreement with the district. The specific required overnight in-state travel event must be detailed in the approved grant, donation, or other fund acceptance agreement along with number of employee(s), board member(s) and total cost. All reimbursements are subject to these rules unless the funding acceptance agreement specifies otherwise.

b. Exception – Commissioner’s Waiver

The Commissioner shall be authorized to grant waivers for overnight travel for school board members and school district employees to attend in-state conferences. Such waivers will be granted in only extremely limited circumstances, where the sponsoring organization can demonstrate that the conference is broad and multi-disciplinary in scope, incorporates content offerings from numerous specialty areas, and includes important professional development opportunities and/or required training. In addition, the sponsoring organization must demonstrate that the conference’s content, structure and anticipated attendance necessitate that it be held on multiple consecutive days with overnight lodging.

c. Limitation – 50 Mile Commute

If a waiver of the prohibition on overnight travel is granted pursuant to this subsection, it shall permit reimbursement for travel expenses for only those individuals whose home to convention commute exceeds 50 miles.

d. No Reimbursement – Prior to Check-in; After Check-out

Overnight travel within the State shall not be eligible for subsistence reimbursement if travel is on the day prior to the start of the conference. Reimbursement shall be prohibited for lodging prior to check-in time for the first day of the event or after check-out time on the last day of the event. Ref. N.J.A.C. 6A:23A-7.11(e)

e. Overnight Travel – Outside of New Jersey

(1) Limitations – 50 Mile Commute

Out-of-State travel events shall be limited to the fewest number of board members or affected employees needed to acquire and present the content offered to all board members or staff, as

applicable, at the conclusion of the event. Lodging may only be provided if the event occurs on two or more consecutive days and where home to event commute exceeds 50 miles. Ref. N.J.A.C. 6A:23A-7.11(d)

f. Overnight Travel – In State/Out of State

(1) Federal GSA Per Diem Rates – Lodging, Meals and Incidentals

The US General Services Administration publishes a schedule of federal per diem rates in the Federal Register for approved overnight travel by the event location. The latest federal per diem rates schedule for lodging, and meals and incidental expenses by location can be found at www.gsa.gov.

Allowable per diem reimbursement for lodging, meals and incidentals shall be actual reasonable costs, not to exceed the federal per diem rates for the event location. Registration and conference fees are not subject to the federal per diem rate caps. If the event location is not listed, the maximum per diem allowance shall be \$31 for meal/incidental expenses and \$60 for lodging, or amounts listed in any superseding NJOMB circular.

(2) Lodging – Hotel

Pursuant to N.J.S.A. 18A:11-12(o), reimbursement for lodging expenses for overnight travel, out-of-state or in-state as authorized by the Commissioner, may exceed the federal per diem rates if the hotel is the site of the convention, conference, seminar or meeting and the going rate of the hotel is in excess of federal per diem rates.

If the hotel at the site of the current travel event is not available, lodging may be paid for similar accommodations at a rate not to exceed the hotel rate at the site of the current event.

If there is no hotel at the site of the current travel event (e.g., Atlantic City Convention Center), then reimbursement for lodging shall not exceed the federal per diem rate.

Receipts are required for all hotel and incidental expenses. Ref. N.J.A.C. 6A:23A-7.11(f)

I. Meals and Incidental Expenses

1. Meals; Receipts Required – Certain Cases

If the meal is not part of a one-sum fee for a travel event, reimbursement may be approved for the full cost of an official convention meal that the employee or

board member attends, when such meal is scheduled as an integral part of the convention or conference proceedings. Receipts shall be submitted in order to obtain reimbursement in such situations. The amount of the federal per diem rate for the corresponding meal shall be deducted from that day's subsistence allowance.

The allowance for a meal or meals, or incidentals shall not be eligible for reimbursement when included and paid in the registration fee, the cost of lodging or transportation charge.

2. Meals; Receipts Not Required

All meal and incidental expenses for travel shall be in accordance with NJ Circular 08-19 OMB and the per diem rates as may be found at www.gsa.gov. One day trips that do not involve lodging are not eligible for subsistence reimbursement. Meal expenses under the Federal per diem rates do not require receipts.

3. Miscellaneous Restrictions

In any cases in which the total per diem reimbursement is greater than the federal per diem rates, the costs shall be considered excessive in the absence of substantial justification accompanying the travel voucher submitted by the employee or board member. In such cases receipts shall be submitted for all costs including meals.

Employees and board members shall patronize hotels and motels that offer special rates to government employees unless alternative lodging offers greater cost benefits or is more advantageous to the conduct of school district business.

Actual subsistence expenses shall not be reimbursable if paid by the traveler to a member of his family, or another school district employee or to a member of the family of another school district employee. Ref. N.J.A.C. 6A:23A-7.11(f)

J. Meal Allowances; Certain Situations

Meals for in-state travel shall not be eligible for reimbursement except as expressly authorized within these regulations.

Meals during one-day, out-of-state trips required for school business purposes may be authorized for breakfast, lunch and/or dinner in an amount permitted by NJOMB. The Commissioner shall post the most current rates on the Department website for reference.

Lunch for training sessions and retreats may be authorized for an amount up to \$7 per person only when it is necessary that employees or board members remain at a site other than their school district and there are no viable options for lunch at the off-site location. If lunch is included in a one-sum registration fee for the training session, the full amount is eligible for reimbursement if reasonable. Refreshments for breaks may also be provided at training sessions and retreats held at a site other than the school

district. Therefore, providing lunch for staff meetings and in-service days or for staff that come from other parts of the school district shall not be permitted. (See N.J.A.C. 6A:23A-7.12(d)). Also, per N.J.S.A. 18A:11-12a(1)(d), board retreats shall be held onsite unless there is no school district site available.

Subsistence expenses for an employee or board member shall not be allowed at the school district or within a radius of ten miles thereof, except for meals expressly authorized by and in accordance with the provisions of this section. Non-allowed expenses include, but are not limited to meals and refreshments for staff meetings and in-service days. Ref. N.J.A.C. 6A:23A-7.12

K. Travel Expenses – Allowable

Allowable incidental travel expenses are defined as those that are essential to transacting official business.

Charges for telephone calls on official business may be allowed. The voucher must show the dates on which such calls were made, the points between which each call was made and the cost per call.

Employees and board members using their personally-owned telephone for business may request reimbursement, less Federal Communications Tax. Calls for business are tax exempt and the telephone company will make allowances for the tax if the employee or board member certifies to the telephone company when paying bills for personally-owned phones that said calls were business calls.

Incidental expenses, when necessarily incurred by the traveler in connection with the transaction of official business, may be submitted for reimbursement only when the necessity and nature of the expense are clearly and fully explained on the travel voucher and the voucher is approved. Travel vouchers shall be supported by receipts showing the quantity and unit price. Ref. N.J.A.C. 6A:23A-7.12(g)

L. Travel Expenditures – Not Eligible for Reimbursement; Prohibited

1. Subsistence reimbursement for one-day trips, except for meals expressly authorized by and in accordance with the provisions of N.J.A.C. 6A:23A-7.12;
2. Subsistence reimbursement for overnight travel within the State, except where authorized by the Commissioner in accordance with the procedures set forth in N.J.A.C. 6A:23A-7.11;
3. Travel by board members or employees whose duties are unrelated to the purpose of the travel event or who are not required to attend to meet continuing education requirements or to comply with law or regulation;
4. Travel by spouses, civil union partners, domestic partners, immediate family members and other relatives;

5. Costs for employee attendance for coordinating other attendees' accommodations at the travel event;
6. Lunch or refreshments for training sessions and retreats held within the school district including in-service days and for employee participants traveling from other locations within the school district;
7. Training to maintain a certification that is not required as a condition of employment (example: CPE credits to maintain a CPA license if the employee is not required to be a CPA for continued school district employment);
8. Charges for laundry, valet service, entertainment;
9. Limousine services, and chauffeuring costs to or during the event;
10. Car rentals, either utilized for airport transportation or transportation at a conference, convention, etc., unless absolutely necessary for the conduct of school district business. Justification must accompany any request for car rentals. If approved, the most economical scheduling of car rental is to be used, including the use of subcompacts, discounted and special rates. An example of the justified use of car rental is when an employee is out of state, making inspections at various locations, and the use of public transportation is impracticable. When car rental is authorized, the employee shall not be issued an advance payment for the anticipated expense associated with the rental.
11. Alcoholic beverages;
12. Entertainment costs including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities);
13. Gratuities or tips in excess of those permitted by federal per diem rates;
14. Reverse telephone charges or third party calls;
15. Hospitality rooms;
16. Souvenirs, memorabilia, promotional items or gifts;
17. Air fare without documentation of quotes from at least 3 airlines and/or on-line services, if possible (N.J.A.C. 6A:23A-7.9(c); and
18. Other travel expenditures that are unnecessary and/or excessive. Ref. N.J.A.C. 6A:23A-7.8

M. Regular School District Business Travel

In accordance with N.J.A.C. 6A:23A-1.2 and 7.3 regular school district business travel includes attendance at regularly scheduled in-state county meetings; DOE sponsored or

association sponsored events free of charge. It also includes regularly scheduled in-state professional development activities where the registration fee does not exceed \$150.00 per employee or board member.

For the purpose of this policy the Board of Education recognizes the following as Regular School District Business Travel:

1. Recognized Types of Regular School District Business Travel

a. Visitations

This business travel requires the employee to use his/her personal vehicle for the following visits to conduct school business:

Examples:

- Department of Education offices, e.g., Trenton, Paterson;
- Other school districts, e.g., Child Study Team, Official Capacity Visits;
- Local, County, State, Federal Offices; and
- Court visits out of district, e.g., Newark, Paterson, etc.

Employees seeking to be reimbursed for using their personal vehicles for this travel must complete the request form and obtain the Superintendent's permission prior to the travel.

b. Attendance at Regularly Scheduled Events

Examples

- Attendance at Regularly Scheduled County meetings;
- Professional Association Regularly Sponsored Events – In-State – No Costs;
- Department of Education Sponsored Events – In-State – No Costs; and
- Professional Development Activities –Regular School District Business travel also includes regularly scheduled in-state professional development activities with a registration fee that does not exceed \$150.00 per employee or board member.

Employees seeking to be reimbursed for using their personal vehicles for this travel must complete the request form and obtain the Superintendent's permission prior to the travel. Ref. N.J.A.C. 6A:23A-7.3(b-3)

2. Maximum Travel Amount – Per Employee – Regular School Business Travel

Pursuant to N.J.S.A. 18A:11-12(f) and N.J.A.C. 6A:23A-7.3(b-1) The Board of Education authorizes an annual maximum amount per employee for regular

business travel not to exceed \$1,500.00. Any additional travel amount beyond the maximum amount requires Board of Education approval.

3. Approval Process – Prior to Travel (Ref. N.J.A.C. 6A:23A-7.3(b-3))

The approval of the Superintendent or his designee is required for regular school business travel prior to the travel.

Board of Education approval is not required for regular school district business travel under \$1,500.00 per employee.

Approval of the Executive County Superintendent is not required for regular school district business travel.

N. Records and Supporting Documentation

All persons authorized to travel on business must keep a memorandum of expenditures chargeable to the school district, noting each item at the time the expense is incurred, together with the date incurred.

The travel voucher shall be completed by the employee or board member to document the details of the travel event. The travel voucher must be signed by the employee or board member to certify to the validity of the charges for which reimbursement is sought. The form must also bear the signatures of approval officials for processing.

Sufficient documentation shall be maintained centrally by the school district to support payment and approval of the travel voucher.

Documentation for requests for travel reimbursement shall show:

1. The dates and individual points of travel, number of miles traveled between such points and kind of conveyance used.
2. If the distance traveled between any given points is greater than the usual route between these points, the reason for the greater distance must be stated.
3. The hours of the normal work day and actual hours worked must be shown when requesting meal reimbursement for non-overnight travel.
4. Original receipts shall be required for all reimbursable expenses, except for meals that qualify for per diem allowances and for parking meters.
5. Actual vendor receipts for personal credit card charges shall be attached to reimbursement requests. Credit card statements shall not be accepted as documentation of expenses.
6. Personal charges on a hotel bill shall be deducted and shown on the bill.
7. When lodging is shared jointly, the fact must be stated on the travel voucher.

8. Where travel is not by the most economical, usually-traveled route, the employee or board member reimbursement request shall set forth the details of the route, the expenses actually incurred, the hour of departure, the hour of arrival and an explanation for the use of costlier travel arrangements.
9. When travel is authorized in the employee's or board member's own automobile on a mileage basis, the points between which travel was made and the distance traveled between each place must be shown. A statement as to ownership of the auto or other conveyance used, as well as a certification that liability insurance is in effect, must be documented.
10. A mileage reimbursement in lieu of all actual expenses of transportation is permitted, when the employee/board member uses his/her own vehicle. All travel must be by the most direct, economical and usually traveled route. All mileage reimbursement costs shall be in accordance with the New Jersey State Appropriation Act business mileage rate effective at the time of the travel, unless the existing employee contract has another rate.
11. Reimbursement requests must be supported by other receipts as required.
12. The voucher shall be itemized.
13. Reimbursement requests shall be rendered monthly when in excess of \$25. Travel for a single travel event must be reported as soon as possible after the trip. Ref. N.J.A.C. 6A:23A-7.13

O. Deadline to Submit Reimbursement

All outstanding travel vouchers for the school year ending June 30 shall be submitted as soon as possible after June 30 regardless of amount, notwithstanding. N.J.A.C. 6A:23A-7.13(e)(12)

Travel mileage reimbursement requests of the just completed school year, that are not submitted by July 30th or the date approved by the district for the closing of books, whichever is earlier, for the just completed school year shall not be approved or paid. Ref. N.J.A.C. 6A:23A-7.13

P. School Business Administrator -- Responsibilities

1. Budget

The SBA or designee shall prepare itemized travel budgets by function and object of expense for each cost center, department or location maintained in the school district's accounting system, as applicable, as part of the preparation of and documentation for the annual school district budget. The aggregate amount of all travel budgets shall not exceed the board approved maximum travel expenditure amount for the budget year as required by N.J.A.C. 6A:23A-7.3.

2. Accounting

The SBA shall maintain separate accounting for school district travel expenditures as necessary, to ensure compliance with the school district's maximum travel expenditure amount. This may include, but need not be limited to, a separate or offline accounting of such expenditures or expanding the school district's accounting system. The tracking system shall be sufficient to demonstrate compliance with the board's policy and these rules, and shall be in a detailed format suitable for audit.

3. Payment

The SBA or designee shall review and approve all requests for travel expenditure reimbursement submitted for expenses incurred in the course of school district business as to cost and support documentation required by these rules. The SBA shall not approve or issue payment of travel expenditures or reimbursement requests until all required documentation and information has been submitted to support the payment and shall not approve any travel expenditure that when added to already approved travel expenditures would exceed the board approved maximum travel expenditure amount for the budget year.

4. Documentation

The SBA shall be responsible for the adequacy of documentation of transactions processed by their staff and the retention of that documentation to permit audits of their records. Ref. N.J.A.C. 6A:23A-7.6

Q. Miscellaneous Provisions

1. Advance Payment -- Prohibited

No employee or school board member shall receive any monies for travel in advance of the travel. The payment of travel expenses shall be made personally by a school district employee or board member and reimbursed at the conclusion of a travel event. This applies to travel-related purchases for which a purchase order is not applicable. This section does not preclude the district from paying the vendor directly with the proper use of a purchase order (e.g., for registration, airline tickets, hotel). Ref. N.J.S.A. 18A:11-12(4j)

2. Exclusions from Travel Policy

In accordance with N.J.S.A. 18A:11-12(4m) the Board of Education recognizes that travel procedures may be included in some employee contracts. Furthermore, there may be statutory requirements or federal regulatory requirements that may lead to an employee's or board member's travel. If any condition in a negotiated contract, in any administrative regulation or in any statute is in conflict with these regulations, the provisions of the contract, regulation or statute shall prevail.

3. Report Required

In accordance with N.J.S.A. 18A:11-12(4d) every employee and board member is required to submit a brief report within at least thirty (30) days explaining the following:

- a. Primary purpose for the travel;
- b. Key issues addressed at the event; and the
- c. Relevance to improving instruction and/or the operation of the school district.

Board members are to provide the report at the Board meeting that follows the travel. Employees are to file the report with their immediate supervisor.

4. Travel Charge Cards -- Prohibited

The use of travel charge cards are not authorized for use by school districts.

5. Travel – Paid by Employee

All travel, where part or the entire cost is paid by the employee, requires the approval of the Superintendent of Schools and the Board of Education, prior to the travel event.

R. Travel Violations—Monitoring/Compliance

All travel will be monitored to ensure compliance as follows:

1. Office of the Superintendent

The Office of the Superintendent, in conjunction with the Assistant Superintendent shall review all requests for travel to ensure compliance with the law, code, policy and administrative rules. Any employee who violates the law, code, policy or rules shall be subject to the penalties assigned in N.J.S.A. 18A:11-12(4s).

2. Office of the School Business Administrator

The Office of the School Business Administrator shall review all requests for travel reimbursement to ensure compliance with the law, code, policy and administrative rules in accordance with N.J.A.C. 6A:23A-7.6(c).

3. Board of Education

If, on occasion, there is a Board of Education member who violates the school district's travel policy, law, or code, it shall be reported to the full Board of Education, who shall by board resolution, initiate sanctions outlined in N.J.A.C. 6A:23A-7.7(c) against said Board Members.

S. Sanctions for Violations of Travel Requirements

1. Maximum Travel Violations

Any board that violates its established maximum travel expenditure as set forth in N.J.A.C. 6A:23A-7.3 above, or that otherwise is not compliance with the travel limitations set forth in this section may be subject to sanctions by the commissioner as authorized pursuant to N.J.S.A. 18A:4-23 and N.J.S.A. 18A:4-24, including reduction of State aid in an amount equal to any excess expenditure pursuant to N.J.S.A. 18A:11-12 and N.J.S.A. 18A:7F-60.

2. Travel Approval Violations; Approval Authority – Superintendent of Schools

A person who approves any travel request or reimbursement in violation of the district's policy or these rules shall be required to reimburse the school district in an amount equal to three times the cost associated with attending the event pursuant to N.J.S.A. 18A:11-12. In accordance with N.J.A.C. 6A:23A-7.7(b-1) the approval authority for travel for the Passaic Public School District is the Superintendent of Schools. In case of absence of the Superintendent, the alternate approval authority to approve travel requests is the Assistant Superintendent of Schools. Ref. N.J.A.C. 6A:23A-7.4(a-1)

They shall be subject to all penalties as outlined in this section.

3. Travel Reimbursement Approval Authority – School Business Administrator

The School Business Administrator is designated as the travel reimbursement approval authority. The SBA shall review and approve all requests for travel expenditure reimbursements pursuant to N.J.A.C. 6A:23A-7.6c and shall be subject to all penalties as outlined in N.J.A.C. 6A:23A-7.7(b).

4. Travel Violations - Employees

An employee or board member who violates the school district's travel policy or these rules shall be required to reimburse the school district in amount equal to three times the cost associated with attending the event pursuant to N.J.S.A. 18A:11-12. Ref. N.J.S.A. 18A:11-12(4s), N.J.A.C. 6A:23A-7.7

5. Violations of Administrative Code – Loss of State Aid

Any district Board of Education that violates its established maximum travel expenditure or that otherwise is not in compliance with the travel limitations set forth in this section may be subject to sanctions by the Commissioner including reduction of State aid in an amount equal to any excess expenditure. Ref. N.J.S.A. 18A:11-12(4r)

Adopted: 21 December 1995

Revised: 20 December 2006

Revised: 26 March 2007

Revised: 1 May 2008

Revised: 25 August 2008

Revised: 26 January 2009

6480- PURCHASE OF FOOD SUPPLIES (M)

M

The Board of Education authorizes the purchase of certain food supplies without resort to advertising for bids.

For the purpose of this policy, "food supplies" means only those supplies that are to be eaten or drunk and those substances that may enter into the composition of a food in the operation of a school cafeteria or in a home economics class; "nonperishable food supplies" means all canned, packaged, jellied, dried, smoked and otherwise preserved food; and "perishable food" means all fresh and frozen food.

The Purchasing Agent is authorized to purchase nonperishable food supplies and perishable food supplies, except milk, bread, and ice cream on the basis of vendor quotations without advertising for bid, except that food purchases up to \$250 in any one month may be made without solicitation of quotations provided that the purchasing agent files a statement indicating the reason why quotations could not be obtained.

The Supervisor of Food Services shall obtain price quotations for nonperishable food at regular intervals while school is in session and for perishable food at reasonable intervals while school is in session. Uniform specifications setting standards of quality shall be given to each interested vendor. Opportunity shall be provided to as many responsible suppliers as possible to do business with the district. Lists of potential suppliers for various types of foods shall be maintained, and quotations shall be solicited by advertisement in the newspapers designated by the Board for notice of its meetings.

Food shall be purchased from the vendor who submits the lowest quotation, except that food may be purchased from another vendor when the Purchasing Agent has reason to justify the purchase at a higher price. Any such justification, together with all quotations received, shall be kept in permanent record form, attached to the purchase order and available to school officials, the Board, and the State Department of Education for a minimum of three years following the purchase. The Board shall offer a hearing to any unsuccessful vendor whose quotation for food supplies was lower than the quotation accepted.

N.J.S.A. 18A:18A-5; 18A:18A-6
N.J.A.C. 6:3-1.7; 6:20-2.6

Adopted: 21 December 1995
Revised: 20 May 1996

6510- PAYROLL AUTHORIZATION (M)

The most substantial payment of public funds for the operation of the school district is that which is made to the employees of the Board of Education for services rendered. To insure that each person so compensated is validly employed by this district and that the compensation remitted fairly represents the services rendered, this policy is promulgated.

Employment of all district personnel whether by the year, term, month, week, day or hour in contract, temporary, or substitute authorization shall be made only by the Board. Authorization to pay follows therefrom.

Each motion of the Board to employ or reemploy on a contractual basis (i.e., for a fixed period of time) shall include the name of the individual, the position title, the salary to be paid over the term of the contract and the wage guide identification and the period of employment. Each motion of the Board to employ on a temporary basis (i.e., by the hour or day) shall include the name of the individual, the position title, the rate of pay and the wage guide identification.

The Board shall take note in its minutes of all actions with regard to employee resignation, retirement, death, discharge, or the nonrenewal of a teaching staff member per law and Board policy. Each such action shall include the name of the employee and the date upon which salary or wages will terminate.

Sign-in and sign-out procedures are required on a daily basis of all administrators, teaching staff members, secretarial-clerical employees, custodial-maintenance employees, aides, cafeteria workers, and security personnel in order to verify the days and hours worked for payment purposes.

Approval for payment in the performance of special activities is required as follows: Bedside instructors as certified by the Director of Pupil Personnel Services; Coaches as certified by the Director of Athletics; and Extracurricular advisors as certified by the high school principal.

Authorization is hereby given to withhold salary or wages for unapproved time off in accordance with Board policy by action of the Secretary-School Business Administrator. Deductions for absences are computed on the basis of daily rate as follows:

1. For all ten month contracted employees - 1/200th of the annual salary.
2. For all eleven month contracted employees, 1/230th of the annual salary.
3. For all twelve month contracted employees, 1/260th of the annual salary.

It is essential that payment for overtime of non-certificated employees be kept to a minimum. Payment is authorized only when approval is obtained in writing in advance of the time expended. Authorizing officials are as follows: Superintendent, Assistant Superintendent, and Board Secretary/School Business Administrator. All approved overtime in excess of 40 hours per week shall be paid at 1 1/2 times regular rate. Such overtime payment shall extend to ten month employees, working during the summer period, when they work beyond contracted hours that exceed 40 hours.

Since contracts are on a twelve month basis, September 1 to August 31, salaries are computed on the basis of 1/12th annual salary each month. The practice is to pay twice a month so that each check represents 50% of the monthly net amount due. Salary checks are distributed on the 14th or the last working day before the 14th and on the last working day of the month. The summer payment plan can be opted whereby summer salaries are paid by June 30th.

The payroll journal shall be certified by the Board Secretary/School Business Administrator, the President of the Board, and the chairperson of the Business and Finance Committee twice monthly.

One warrant for the net amount of the payroll and a second warrant for all payroll deductions together with district matching funds and administrative charges shall be deposited to special accounts for disbursement by the Custodian upon receipt of the certified payroll.

N.J.S.A. 18A:19-9 et seq.

Adopted: 21 December 1995

6520- PAYROLL DEDUCTIONS

The Board of Education shall, in accordance with law or employee authorization, make deductions from an employee's paycheck and remit the amounts deducted to the agent designated by the employee.

Deductions will routinely be made as required for federal income tax and social security; New Jersey income tax, unemployment assistance, and emergency transportation tax; and by the New Jersey Division of Pensions.

Deductions may also be made, provided they have been duly authorized by the employee in writing, for contributions on the employee's behalf for:

1. The payment of premiums for group life, accidental death or dismemberment, hospitalization, medical, surgical, major medical, health and accident, and legal insurance plans, N.J.S.A. 18A:16-13;
2. The purchase of United States Government bonds, N.J.S.A. 18A:16-8;
3. The employee's participation in a summer payment plan for repayment to the employee in one payment in June or by payment upon the death or termination of the employee, if earlier, N.J.S.A. 18A:29-3;
4. Tax sheltered annuities or custodial accounts, N.J.S.A. 18A:66-127;
5. Payments to a credit union, N.J.S.A. 40A:19-17;
6. An approved charitable fund raising campaign, N.J.S.A. 52:14-15.9c; and
7. Bona fide organizational dues, N.J.S.A. 52:14-15.9e.

Contributions shall be made as soon as is reasonably possible after the funds have been deducted from an employee's salary. No contribution shall be made on behalf of an employee until the amount contributed has been deducted from the employee's salary.

The Board will permit the remittance of funds for annuities and mutual funds only to those insurers and custodial accounts authorized by law and expressly approved by this Board. The Board will consider the approval of only those insurers and custodial accounts to which 25 or more employees of this district subscribe.

If the number of subscribers falls below that number, no new subscribers will be allowed and the account will be terminated when all remaining subscribers have closed their accounts.

No more than 3 accounts will be approved for remittance at any one time.

An employee who wishes to pay into a tax sheltered annuity or mutual fund offered by a firm not approved by this Board for payroll deductions must make his or her payment individually.

The Board of Education wishes to provide members of the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System the opportunity to make tax deferred contributions under the United States Internal Revenue Code. On the written approval of an employee, contributions deducted from the employee's wages and remitted directly to TPAF or PERS, as appropriate, will be designated as employer contributions, paid by the Board on behalf of the employee. No employee may receive the contributed amount directly.

No Board employee shall withhold or pay to another or purchase or have assigned, other than by court order, any compensation for the services rendered by an employee of this district.

N.J.S.A. 18A:16-9; 18A:66-19, 18A:66-30; 18A:66-78; 18A:66-128

N.J.S.A. 43:3C-9

N.J.S.A. 52:14-15.9; 52:18A-107 et seq.;

N.J.A.C. 6:20-2.9, 20-2.11

N.J.S.A. 54:8A-9

Adopted: 21 December 1995

***6620- PETTY CASH (M)**

M

The Board of Education authorizes the establishment of petty cash accounts and in accordance with this policy directs the implementation of appropriate controls to protect the accounts from abuse. All petty cash accounts are to be checking accounts. There will be no cash accounts. All petty cash accounts will be maintained on an imprest basis.

The following Petty Cash Accounts are to be established annually by the Board of Education resolution with the purpose of each account to be outlined in the resolution. The total allotments for the school year shall not exceed the budget amount.

Office	Total Allotment	Initial Allotment*
Board Secretary's Office	\$2,700	\$2,700
Building Services Department	\$5,000	\$2,000
Athletics Department	\$35,000	\$5,000
Special service Department	\$1,000	\$1,000
Basic Skills Department	\$1,000	\$1,000
Basic Skills Department Parent Account	\$1,000	\$1,000
Bilingual Department	\$1,000	\$1,000
Bilingual Department Parent account	\$1,000	\$1,000

***Purpose of Petty Cash Accounts**

Petty cash funds may be disbursed only for the immediate payment of comparatively small emergency and/or urgent expenditures. Petty cash funds may not be used to circumvent the Board approved purchasing procedures.

Limits of Petty Cash Use

A. Approval of Allotment

The allotment for each petty cash account is listed above and shall be approved annually by Board resolution at the May Board meeting.

B. Items Purchased

Petty cash funds are not to be expended for the following items:

- Postage stamps
- Furniture
- Equipment

Appliances

and any other items that may be purchased through the normal purchasing process. Petty cash checks made payable to Cash are strictly prohibited.

Authorized Check Signer

Each petty cash account shall have two authorized check signers named in the annual Board resolution:

- One being the Department Head who has primary responsibility over the account and for the monthly reconciliation of the account.
- The other being an employee so designated by the Department Head who shall also sign all checks.

Withdrawal of Funds: Expenditures

Each person who seeks petty cash funds shall prepare and sign a written Request Form stating the amount requested and the purpose for the request. The requester shall supply receipts or invoices as appropriate documentation to support the request and all such documents shall be attached to the Request Form.

Any check drawn shall be in the exact amount of the request submitted. All voided checks shall be maintained on file.

There shall be two approved signatures on all Petty Cash checks. Pre-signing of checks and post dating checks are strictly prohibited.

The maximum dollar expenditure per check is \$100.00 except for Building Services which is \$200.00 per check. Exceptions must be cleared by the Business Administrator.

Location of Petty Cash Checkbook: Records

The custodian of the account will ensure that all Petty Cash checkbooks and records of transactions be placed in a locked secure site.

Replenishment of Funds

All Departments so designated by Board Policy and Board resolution shall receive their initial petty cash allotments in the month of July of each fiscal year.

The allotment check shall be deposited in the checking account within forty-eight hours of receipt.

Replenishment of funds beyond the annual allotment must be made by Board resolution through the office of the Business Administrator. Supporting documentation needs to be attached to the purchase order for replenishment of the petty cash account.

Reconciliation of Accounts

All petty cash accounts must be reconciled on a monthly basis and such documentation shall be made available upon request.

Closing Out Procedures

At the end of the school year and no later than June 15th, the Department Head shall submit to the Business Office a check made payable to the Passaic Board of Education for the remaining balance of petty cash funds in the account. A report listing all expenditures with supporting documentation shall also be submitted with the check.

Reporting: Reconciliation of Account

The Department Head shall make provisions to ensure that a final Bank Reconciliation be completed and submitted to the Business Administrator no later than July 15th of each year.

The following items should be sent with the reconciliation for auditor review:

1. Check book,
2. All Payment Request Forms,
3. All original receipts and/or invoices attached to the Payment Request Forms, and
4. Bank statements and cancelled checks.

N.J.S.A. 2C:21-15

N.J.S.A. 18A:19-13; 18A:23-2

N.J.A.C. 6:20-2.10

Adopted: 21 December 1995

Revised: 20 May 1996

6630- ATHLETIC FUND

The Board of Education directs the establishment of an athletic fund for the financial administration of the interscholastic athletic program. Moneys may be collected from and disbursed for only the interscholastic athletic program duly approved by the Board of Education.

The Board will facilitate the interscholastic athletic program by providing sufficient funds to overcome any deficit existing in the athletic fund at the conclusion of the school year.

The Athletic Director shall be responsible for the administration of the athletic fund. The fund will be audited annually and will be administered under appropriate accounting controls. The books of account will include income and expenses separately for each approved athletic program.

All gate receipts must be turned in to the Athletic Director within two day(s) of collection and must be deposited on the day they are received.

All payments for supplies, equipment, and services for the interscholastic athletic program will be made in accordance with established purchasing procedures of the district except that fees for referees, ticket takers, and security personnel and purchases in amounts under \$100 will be exempted from those procedures. Purchase orders for goods and services purchased through the athletic fund will be approved by the Athletic Director. Disbursements from the athletic fund will be made by check and approved by the Athletic Director.

At the conclusion of each athletic program, the athletic director shall, within four weeks, submit a complete inventory of all equipment and supplies to the Athletic Director.

N.J.S.A. 18A:19-14; 18A:23-2

Adopted: 21 December 1995

6640- CAFETERIA FUND

Your Committee of the Whole recommends amending Board Policy #6640 - Honest and Ethical Relations with Vendors; Contributions to Board Members – Pay to Play that was previously amended on November 27, 2006 and July 28, 2008, in accordance with the requirements of N.J.A.C. 6A:23A-6.3.

The Board of Education adopts this policy to ensure that the district shall maintain honest and ethical relations with vendors and potential vendors and shall guard against favoritism and corruption in the contracting processes and practices.

1. Solicitation/Receipt of Gifts from Vendors -- Prohibited

School board members, school officials and employees, or members of their immediate family are prohibited from soliciting, receiving or agreeing to receive any compensation, reward, employment, gift, meal, honorarium, travel, reimbursement, favor, loan, service, or other thing of value from any person, firm, corporation, partnership, or business that is a recipient of a purchase order from the district, or a potential bidder, or an applicant for any contract with the district, based upon an understanding that what is solicited or offered was for the purpose of influencing the board member or school employee in the discharge of their official duties. This policy shall be consistent with the School Ethics Act-N.J.S.A. 18A:12-21 et seq.

2. Financial Interest; Direct or Indirect Board Members; Employees -- Prohibited (N.J.S.A. 18A:6-8)

No person who is a member of this Board of Education, or who has whole or partial control or management of this district, or who is employed by this district, or who is otherwise officially connected with this district, may have a direct or indirect interest in nor be an agent for, or be in any way pecuniarily or beneficially interested in or receive any compensation or reward of any kind for, or is a party either as principal or surety to, a sale, agreement, contract with or claim against the Board for the furnishing of any goods, chattels, supplies, textbooks, school apparatus or property of any kind whatsoever nor for the construction of any building or any improvement, the expense or consideration of which is paid by this school Board. This shall not prevent any person from receiving royalties upon the sale of any textbook of which he is the author.

3. Recommendation of Purchases -- School District Responsibility

It is the desire of the Passaic Board of Education to have all Board employees and officials practice exemplary ethical behavior in the procurement of goods, materials, supplies, and services.

School officials and employees who recommend purchases shall not extend any favoritism to any vendor. Each recommended purchase should be based upon quality of the items, service, price, delivery, and other applicable factors in full compliance with N.J.S.A. 18A:18A-1 et seq.

School officials and employees are to avoid recommending purchases from members of their families, businesses that employ members of their families and from businesses in which the official, employee or members of their immediate family have a direct financial interest.

School officials and employees who are authorized to sign off on purchase orders and/or to recommend purchases or business transactions by virtue of their signature on the purchase order certify that their actions are consistent with this policy and all applicable statutes.

4. Doing Business with the Board of Education -- Vendor Responsibility

Any vendor doing business or proposing to do business with the Passaic Board of Education, shall neither pay, offer to pay, either directly or indirectly, any fee, commission, or compensation, nor offer any gift, gratuity, or other thing of value of any kind to any official or employee of the Passaic Board of Education or to any member of the official's or employee's immediate family.

No vendor shall cause to influence or attempt to cause to influence, any official or employee of the Passaic Board of Education, in any manner which might tend to impair the objectivity or independence of judgment of said official or employee.

5. Vendor Certification

Vendors will be asked to certify that no official or employee of the Passaic Board of Education or immediate family members are directly or indirectly interested in this request or have any interest in any portions of profits thereof. The vendor participating in this request must be an independent vendor and not an official or employee of the Passaic Board of Education.

6. Violations of the Policy

In accordance with and N.J.S.A. 18A:6-8, any school district employee who violates the terms of this policy may be subject to withholding of annual increments, suspension, demotion, school ethics complaint, termination and/or revocation of license to teach or to administer.

7. Contributions to Board Members – Pay to Play

a. Award of Contract N.J.A.C. 6A:23A-6.3(a-1)

No school board will vote upon or award any contract in the amount of \$17,500 or greater to any business entity which has made a contribution reportable by the recipient under P.L. 1973, c. 83 (N.J.S.A. 19:44A-1 et seq.) to a member of the district Board of Education during the preceding one-year period.

- b. Contributions During Term of Contract--Prohibited N.J.A.C. 6A:23A-6-3(a2,3)

Contributions reportable by the recipient under P.L. 1973, c. 83 (N.J.S.A. 19:44A-1 et seq.) to any member of the school board from any business entity doing business with the district are prohibited during the term of a contract.

When a business entity referred to in (a) 2 above is a natural person, a contribution by that person's spouse or child that resides therewith shall be deemed to be a contribution by the business entity. Where a business entity is other than a natural person, a contribution by any person or other business entity having an interest therein shall be deemed to be a contribution by the business entity.

Adopted: 21 December 1995

Revised: 27 November 2006

Revised: 28 July 2008

6650- SCHOLARSHIP FUND

In order to administer special funds bequeathed to this district for scholarship purposes, the Board of Education requires each such fund to be deposited in a separate interest bearing bank account carrying the name of the fund.

The High School Principal is authorized to obtain interest for each scholarship fund at the fixed bank rate on such terms as may seem to him or her advisable and to make, execute, and deliver all instruments of assignment and transfer.

Disbursements from a scholarship fund shall be made by the High School Principal in accordance with a schedule having the prior approval of the Board, except as otherwise stipulated by the grantor of the scholarship.

N.J.S.A. 18A:71-27

Adopted: 21 December 1995

***6660- GENERAL ORGANIZATION FUND**

The Board of Education directs the establishment of a general organization fund for the financial administration of co-curricular activities operated for the benefit of pupils and duly approved by the Board.

The general organization fund will include moneys collected for and dedicated to the purposes of student government, clubs, publications, school trips, the school band and orchestra, and other approved school organizations.

The Board Secretary/School Business Administrator shall be responsible for the administration of the general organization fund. The fund will be audited annually and will be administered under appropriate accounting controls. The books of account will record income and expenses separately for each approved co-curricular program.

All funds collected must be turned in to the Board Secretary/School Business Administrator within two days of collection and must be deposited on the day they are received.

All payments for supplies, equipment, and services for the co-curricular program will be made in accordance with established purchasing procedures of the district except that purchases in amounts under \$100 will be exempted from those procedures. Purchase orders for goods and services purchased through the general organization fund will be approved by the Board Secretary/School Business Administrator. Disbursements will be made by check and only upon the request of a staff advisor and the approval of Board Secretary/School Business Administrator.

All moneys accumulated in the account of a specific class or activity will, upon the graduation of that class or the discontinuance of the activity, revert to the general organization fund.

N.J.S.A. 18A:19-14; 18A:23-2

Adopted: 21 December 1995

6700- INVESTMENTS

The Board of Education directs the prompt investment at interest of any unencumbered funds available for the discretionary use of the Board. Such funds may be invested in bonds or other obligations of the United States; bonds of those federal agencies in which such investment is permitted by law; the New Jersey Cash Management Fund; bonds or obligations of a county, municipality, or school district; and public depositories located within the boundaries of the State of New Jersey that secure public funds in accordance with statute.

The Board Secretary/School Business Administrator is authorized to invest district funds in accordance with this policy.

Any interest earned on the investment of district funds will be combined with general district revenues.

The Treasurer shall report to the Board each month the cash in all accounts on deposit and all investment assets. The Secretary shall report to the Board each month the amount of funds in investments, investment interest earned, and all investment transactions.

N.J.S.A. 17:9-41 et seq.; 17:12B-241

N.J.S.A. 18A:17-34; 18A:20-37; 18A:24-47

N.J.S.A. 40:3-7

N.J.S.A. 40A:5-14; 40A:5-15.1

Adopted: 21 December 1995

6810- FINANCIAL OBJECTIVES (M)

M

The Board of Education recognizes its responsibility to the taxpayers of the district and the state to expend public moneys wisely and prudently for the maintenance of a thorough and efficient system of public education and to institute appropriate controls and accounting procedures.

The Board alone is authorized by law to fix the school budget, approve bids, and approve substantial expenditures of district funds. The district shall not incur a deficit.

The Board Secretary/School Business Administrator shall establish and implement sound accounting practices, institute effective business practices, recommend the acquisition of appropriate accounting equipment, present to the Board accurate and timely fiscal and statistical reports of the district, report annually to the Board on the effectiveness of district financial operations, and recommend improvement in those operations.

The books of account and the classification of expenditures shall be maintained in accordance with rules of the State Board of Education and the standards promulgated by the State Department of Education. Any change in forms, system of accounts, or methods of maintaining the books must be approved by the Board of Education and the State Department of Education.

N.J.S.A. 18A:4-14; 18A:4-14.1; 18A:18A-1 et seq.;
18A:19-1 et seq.; 18A:22-7 et seq.
N.J.A.C. 6:20-2.1

Adopted: 21 December 1995

6820- FINANCIAL REPORTS (M)

M

The Board of Education directs the Board Secretary and the Treasurer of School Moneys to make such accurate and timely reports to county, state, and federal offices as are required by law and rules of the State Board of Education. In addition, the Secretary and Treasurer shall report to the Board at each regular meeting on the financial condition of the school district in accordance with law and in the manner and form required by the State Department of Education. Financial reports shall use a terminology and classification consistent with the approved budget and the accounts of this district.

The Secretary shall furnish each Board member and the Superintendent, no later than one day prior to the meeting, a summary statement of the line items and the revenues received to date showing:

1. Appropriation name and number,
2. Budget line item appropriated,
3. Budget line item expended to date,
4. Budget line item encumbered to date,
5. Budget line item unencumbered to date,
6. Total current expense funds encumbered to date, and
7. Total current expense funds unencumbered to date.

In the event that the Board has approved a budget with an expanded coding structure, the Secretary shall present the financial report in two forms. One form shall use the minimum level chart of accounts established by the State Department of Education and the other shall use the expanded chart of accounts approved by this Board in accordance with Policy No. 6220.

If no line item account has encumbrances and expenditures that in total exceed the line item appropriation in violation of law, the Secretary shall so certify to the Board each month. If one or more line item account has encumbrances and expenditures that in total exceed the line item appropriation, the Secretary shall promptly notify the Board so that corrective action may be taken in accordance with Policy No. 6422.

If the reports of the Secretary and the Treasurer differ in cash receipts or expenditures, the Secretary shall resolve the difference prior to the next meeting of the Board. Any difference that cannot be rectified shall be referred immediately to the Auditor.

N.J.S.A. 18A:17-9; 18A:17-36
N.J.S.A. 54:4-75
N.J.A.C. 6:20-2A.2; 6:20-2A.10

Adopted: 21 December 1995

6830- AUDIT AND COMPREHENSIVE ANNUAL FINANCIAL REPORT (M)

M

The Board of Education shall annually cause an audit to be made of the district's accounts and financial transactions. The audit will be conducted in accordance with law by the public school accountant appointed by the Board and will be completed within four months after the end of the school fiscal year.

The Board Secretary/School Business Administrator will receive the audit report and recommendations of the public school accountant and prepare a summary prior to the meeting at which the report will be discussed by the Board. Copies of the summary will be available to members of the public.

Within thirty days of the receipt of the audit report, the Board will, at a regularly scheduled public meeting, cause the recommendations of the public school accountant to be read and will discuss the recommendations.

The Board will implement the audit recommendations and report such implementation to the Commissioner.

The Board directs the Superintendent and other appropriate district officers and employees to cooperate fully with the public school accountant and to keep faithfully such records and reports as will assist in the audit process.

N.J.S.A. 18A:23-1 et seq.

Adopted: 21 December 1995