

CLOSTER BOARD OF EDUCATION

Closter, New Jersey

MINUTES

ORGANIZATION MEETING

Tenakill Middle School

January 6, 2022 - 7:30 PM

The meeting was called to order by Mr. Villanueva at 7:36 P.M.

(NOTE: The Board Secretary Chairs this meeting until the Board President is elected)

NEW JERSEY OPEN PUBLIC MEETINGS ACT STATEMENT:

The New Jersey Open Public Meetings Act was enacted to ensure the right of the public to have advance notice of and to attend the meeting of public bodies at which any business affecting their interests is discussed or acted upon. In accordance with the provisions of this Act, the Secretary to the Board of Education has caused notice of this meeting by having the date, time, and place thereof, posted at each school building within the district, the Board of Education office, the Office of the Borough Clerk, and transmitted to *The Record* and *Northern Valley Suburbanite* newspapers.

PLEDGE OF ALLEGIANCE

OFFICIAL RESULTS OF THE SCHOOL ELECTION

Votes for Members of the Closter Board of Education:

Mary Elizabeth Brandon Fanelli	978 votes
Janice Ja-Kyong Yeoh	942 votes
Sheryl Wagner	603 votes
Lawrence D. Reines	602 votes
Personal Choice	4 votes

ORGANIZATION STATEMENT

A Board of Education is a non-contiguous body which exists from organization to organization meeting. As such, a board cannot bind a future board unless specifically authorized by statute. Therefore, upon reorganization, in addition to administering the oaths of office and electing a President and Vice-President, the Board shall address certain governance and contractual issues.

ADMINISTRATION OF THE OATH OF OFFICE

Pursuant to NJ Statutes, elected board members Mary Elizabeth Brandon Fanelli, Janice Ja-Kyong Yeoh and Sheryl Wagner shall be sworn in at this time.

The following Board members were present:

*Ms. Cross, Ms. Fanelli, Ms Finkelstein, Ms. Kwon, Ms. Micera, Dr. Puttannah(remote),
Ms. Wagner, Ms. Yeoh*

The following Board member was absent:

Ms. Kothari

ELECTION OF THE PRESIDENT

1. Ms. Finkelstein was nominated for President by Ms. Micera, seconded by Ms. Cross.

Motion to close nomination for the position of President made by Ms. Micera seconded by Ms. Cross.

VOTE:

Nomination #1: 8 Votes

The newly elected President of the Closter Board of Education assumes the Chair of the Meeting.

ELECTION OF THE VICE-PRESIDENT

1. Ms. Cross was nominated for Vice-President by Ms. Micera , seconded by Ms. Wagner.

Motion to close nominations for position of Vice-President made by Ms. Micera, seconded by Ms. Wagner

VOTE:

Nomination #1: 8 Votes

PUBLIC DISCUSSION

Moved by Ms. Micera , seconded by Ms. Cross to open the meeting to the public discussion.

Statements made by individual participants are limited to a duration of three (3) minutes unless otherwise announced at the beginning of the discussion. A maximum of 15 minutes for public input is scheduled as per bylaw 0167. The Board urges large groups to select one person to represent them. The Board reminds those individuals who take the opportunity to speak to please step up, identify themselves by name and address, and to limit their comments to items listed on the agenda.

Mayor John Glidden welcomed the new members of the Closter Board of Education, and welcomed the returning trustees as well. He is looking forward to a continued collaboration with the Closter Board of Education.

Moved by Ms. Micera, seconded by Ms Cross to resume the regular order of business.

REQUIRED RESOLUTIONS, APPOINTMENTS AND APPROVALS pursuant to N.J.S.A. 18A and N.J.A.C. 6A et.seq.

Moved by Ms. Cross, seconded by Ms. Micera to approve **Motions A-EE**.

Motions were approved by a roll call vote of the Board as follows:

YEAS: Ms. Fanelli, Ms. Kwon, Ms. Micera, Dr. Puttannah, Ms. Wagner, Ms. Yeoh, Ms. Cross,
Ms Finkelstein

NAYS: None

A. Open Public Meetings Act

RESOLVED, to act in compliance with the Open Public Meetings Act Resolution per **Appendix A** (attached).

B. Establishment of Meeting Dates, Time and Place

RESOLVED, that the Closter Board of Education agrees to meet on the dates, time and location as per Schedule of Board Meetings per **Appendix B** (attached).

C. Adoption of Policies, Bylaws and Regulations

RESOLVED, that the Closter Board of Education shall approve and adopt all Policies, Bylaws and Regulations as on file with the Board Secretary; it is understood that all of the policies, bylaws and regulations contained therein are subject to continuing review and revision by the Closter Board of Education.

D. Adoption of Code of Ethics

RESOLVED, that the Closter Board of Education shall adopt the Code of Ethics for School Board Members contained within this recent amendment to the School Ethics Act, C.178, P.L. 2001 as per **Appendix C** (attached).

E. Appointment of Delegates and Representatives

RESOLVED, that the following delegates/representatives be appointed:

Bergen County School Boards Association	President
Alternate to the Bergen County School Boards Association	Vice-President
New Jersey School Boards Association	President

F. Designation of Official Newspapers

RESOLVED, that the Closter Board of Education designates *THE RECORD* as its official newspaper for the publication of all legal notices from the date of this Organization Meeting until the Organization Meeting in the next calendar year with the *NORTHERN VALLEY SUBURBANITE* as an alternate newspaper.

G. Designation of Official Depository

RESOLVED, that the Closter Board of Education designates Capital One Bank as Depository of School Funds from this Organization Meeting until the Organization Meeting in the next calendar year.

H. Designation of Authorized Signatures

RESOLVED, that the Closter Board of Education designates signatories for Board of Education accounts as listed in **Appendix D** (attached) and to authorize the School Business Administrator or, in his absence, the Superintendent of Schools to wire transfer funds between the approved previously named depositories of school funds.

I. Adoption of Curriculum

RESOLVED, that the Closter Board of Education adopts all current Northern Valley written curriculum guides, courses, textbooks, workbooks, and any other ancillary materials on file with the Superintendent, and be it further

RESOLVED that this Resolution is in effect from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

J. Permitted Pupil Records

RESOLVED, to approve the collection of permitted pupil records as follows:

- a. Observations, evaluations and ratings of the individual pupils by professional staff members acting within their sphere of competency;
- b. Samples of pupil work;
- c. Information obtained from professionally acceptable standard instruments of measurement, such as: interest inventories, aptitude tests, vocational preference inventories, achievement tests, standardized intelligence tests;
- d. Authenticated information provided by a parent/guardian or adult concerning achievements and other school activities which the pupil wants to make a part of the record;
- e. Verified reports of serious or recurrent behavior patterns;
- f. Extracurricular activities and achievements

K. Continued Implementation of the School Budget

RESOLVED, that the Closter Board of Education authorizes the Superintendent and School Business Administrator to continue to implement the school budget from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

L. Authorization of Petty Cash

RESOLVED, that the Closter Board of Education authorizes the School Business

Administrator/Board Secretary to establish the following petty cash fund accounts in accordance with N.J.S.A.18A:4-15 and :19-13 and N.J.A.C. 6:20-2.10; and be it further

<u>Amount</u>	<u>Account Name</u>	<u>Authorized Signatories</u>
\$500.00	Hillside Elementary School	Principal Dianne Smith and Secretary – Cheryl Boehm
\$500.00	Tenakill Middle School	Principal – William Tantum and Secretary – Connie Luzzi

RESOLVED, that the governing body hereby sets the maximum single Petty Cash expenditure at \$25.00.

M. **Remuneration and Reimbursement**

WHEREAS, District Policy 6471: School District Travel and N.J.A.C. 6A:23A-7.3 provides that the Board of Education shall establish in the annual school budget a maximum travel expenditure for the budget year, which the school district shall not exceed.

RESOLVED, that the Closter Board of Education hereby establishes the school district's maximum travel expenditure for the 2021-2022 school year as the sum of \$25,000; and be it further

RESOLVED, that the School Business Administrator shall track and record these costs to ensure that the maximum amount is not exceeded.

N. **Internal Controls and Standard Operating Procedures**

RESOLVED, that the Closter Board of Education reapproves the Internal Controls and Standard Operating Procedures for Business Functions per N.J.A.C.6A:23A-6.4-6.6 per **Appendix E & F** from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

O. **Uniform Chart of Accounts**

RESOLVED, that the Closter Board of Education approves the current Uniform Chart of Accounts which conforms to Generally Accepted Accounting Principles (GAAP) from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

P. **Procurement of Goods and Services through New Jersey State Contracts**

WHEREAS, N.J.S.A. 18A:18A-10 provides that, a board of education, without advertising for bids, or after having rejected all bids obtained pursuant to advertising therefore, by resolution may purchase any goods or services pursuant to a contract or contracts for such goods or services entered into on behalf of the State by the Division of Purchase and Property, and

WHEREAS, the Closter Board of Education has the need, on a timely basis, to procure goods and services utilizing state contracts, and

WHEREAS, the Closter Board of Education desires to authorize its purchasing agent to make any and all purchases necessary to meet the needs of the school district throughout the school year.

RESOLVED, that the Closter Board of Education does hereby authorize the district purchasing agent to make purchases of goods and services entered into on behalf of the State by the Division of Purchase and Property from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

Q. **Procurement of Goods and Services through the Educational Services**

Commission of New Jersey

WHEREAS, N.J.S.A. 40A:11-11(5) authorizes contracting units to establish a Cooperative Pricing System and to enter into Cooperative Pricing Agreements for its administration; and

WHEREAS, the Educational Services Commission of New Jersey, the "Lead Agency", has offered voluntary participation in a Cooperative Pricing System for the purchases of goods and services; and

WHEREAS, the Closter Board of Education has the need, on a timely basis, to procure goods and services utilizing Cooperative Pricing Agreements; and

RESOLVED, that the Closter Board of Education does hereby authorize the district purchasing agent to enter into a Cooperative Pricing Agreement for the provision and performance of goods and services with the through Educational Services Commission of New Jersey from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

R. **Procurement of Goods and Services through Hunterdon County Educational Services Commission**

WHEREAS, N.J.S.A. 40A:11-11(5) authorizes contracting units to establish a Cooperative Pricing System and to enter into Cooperative Pricing Agreements for its administration; and

WHEREAS, the Hunterdon County Educational Services Commission, the "Lead Agency", has offered voluntary participation in a Cooperative Pricing System for the purchases of goods and services; and

WHEREAS, the Closter Board of Education has the need, on a timely basis, to procure goods and services utilizing Cooperative Pricing Agreements; and

RESOLVED, that the Closter Board of Education does hereby authorize the district purchasing agent to enter into a Cooperative Pricing Agreement for the provision and performance of goods and services with the Hunterdon County Educational Services Commission from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

S. **Authorization of Payment of Bills between Board Meetings**

WHEREAS, prompt payment to vendors for goods and/or services leads to more effective competitive bidding and provision of services; and

WHEREAS, Title 18A:19-2 permits a Board of Education to designate a person to approve the payment of claims between meetings of the Board; and

WHEREAS, it is in the District's best interest to take advantage of discounts and to avoid the payment of late fees;

RESOLVED, that the Board Secretary/Business Administrator is authorized to make payments between Board meetings for all claims that have been duly audited under the provisions of 18A: 19-3 & 4; and be it further

RESOLVED, that the Board Secretary/Business Administrator shall present a listing of all bills paid under this provision for approval at the Board's next regular meeting; and be it further

RESOLVED, that this authorization is in effect from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

T. **School Tax Payment Schedule for the Remainder of 2021-2022 school year**

Payment	Date	General	Debt Service	Amount Due
7	1/10/2022	\$ 1,753,478.33	\$ 144,517.00	\$ 1,897,995.33
8	2/10/2022	\$ 1,753,478.33		\$ 1,753,478.33
9	3/10/2022	\$ 1,753,478.33		\$ 1,753,478.33
10	4/11/2022	\$ 1,753,478.33		\$ 1,753,478.33
11	5/10/2022	\$ 1,753,478.33		\$ 1,753,478.334
12	6/10/2022	\$ 1,753,478.37		\$ 1,753,478.37
		\$ 10,520,870.02	\$ 144,517.00	\$ 10,665,387.02

U. **Appointments**

RESOLVED, that the Closter Board of Education appoints the individuals listed in this Resolution from the date of this Organization Meeting until the Organization Meeting in the next calendar year:

<u>Title</u>	<u>Name</u>
Treasurer of School Monies	Norma Ketter
Affirmative Action Officer	Keith McElroy
AHERA Compliance Officer	Ralph Chappell
Indoor Air Quality Officer	Ralph Chappell
Integrated Pest Management Coordinator	Ralph Chappell
Right to Know Contact Person	Ralph Chappell
504 Compliance Officer (Hillside)	Dara Weiss
504 Compliance Officer (Tenakill)	Alexandra Earle
Public Agency Compliance Officer	Floro M. Villanueva, Jr.
Custodian of Public Records	Floro M. Villanueva, Jr.
Homeless Education Liaison	Vincent McHale
School Safety Specialist	Courtney Carmichael
Data Coordinator	William Tantum

V. **Approval of Section 125 Plan Administrator**

RESOLVED, that the Closter Board of Education approves Horizon Healthcare for the performance of administrative services in conjunction with the following *Section 125 Plan*

Benefits: a "Premium Option Plan (POP)" and a "Flexible Spending Account (FSA)" and be it further

RESOLVED, that this approval is in effect from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

W. **Approval of 403(b) Plan Providers**

RESOLVED, that the Closter Board of Education approves US OMNI & TSACG Compliance Services as the Third Party Administrator of the listed 403(b) Plan Providers from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

403(b) Plan Providers

AIG Retirement Services

Equitable

Faculty Services Corporation

Fidelity Investments*

Invesco Oppenheimer Funds

NY Life Insurance & Annuity Corporation

Security Benefit

Vanguard*

**Only for existing plan members*

X. **Resolution to Establish Bid Threshold and Appointment of Floro M. Villanueva, Jr. as the District's Qualified Purchasing Agent**

WHEREAS, changes to the Public School Contracts Law gave boards of education the ability to increase their bid threshold up to \$44,000; and

WHEREAS, N.J.S.A. 18A:18A-3a, permits an increase in the bid threshold if a Qualified Purchasing Agent is appointed as well as granted the authorization to negotiate and award such contracts below the bid threshold; and

WHEREAS, N.J.A.C. 5:34-5 et seq. establishes the criteria for qualifying as a Qualified Purchasing Agent; and

WHEREAS, Floro M. Villanueva, Jr. possesses the designation of a Qualified Purchasing Agent as issued by the Director of the Division of Local Government Services in accordance with N.J.A.C. 5:34-5 et seq.; and

WHEREAS, Closter Board of Education desires to increase the bid threshold as provided in N.J.S.A.18A:18A-3; now, therefore, be it

RESOLVED, that the governing body of the Closter Board of Education in the County of Bergen, in the State of New Jersey hereby increases its bid threshold; and be it further

RESOLVED, that the governing body hereby appoints Floro M. Villanueva, Jr. as the Qualified Purchasing Agent to exercise the duties of a purchasing agent pursuant to N.J.S.A. 18A:18A-2b, with specific relevance to the authority, responsibility, and accountability of the purchasing activity of the Board of Education; and be it further

RESOLVED, that the governing body hereby authorizes the Qualified Purchasing Agent to award contracts up to the bid threshold; and be it further

RESOLVED, that the governing body hereby sets the quote threshold at 15% of the bid threshold amount; and be it further

RESOLVED, that this Resolution is in effect from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

Y. **Appointment of Board Attorneys**

WHEREAS, Fogarty & Hara, Esqs. and Cleary|Giacobbe|Alfieri|Jacobs LLC have a fee structure that is most advantageous to the Board, price and other factors considered; and

WHEREAS, Fogarty & Hara, Esqs. and Cleary|Giacobbe|Alfieri|Jacobs LLC have the expertise and experience to provide professional services to the Board; and

WHEREAS, the Board is desirous of appointing Fogarty & Hara, Esqs. and Cleary|Giacobbe|Alfieri|Jacobs LLC to provide professional services to the Board; be it

RESOLVED, that the Closter Board of Education appoints Fogarty & Hara, Esqs. (General Counsel) and Cleary|Giacobbe|Alfieri|Jacobs LLC (Personnel, Labor and Negotiations) as the Board Attorneys from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

Fogarty & Hara, Esqs. – Hourly Rates

\$175 for Partners
\$155 for Associates

Cleary|Giacobbe|Alfieri|Jacobs LLC – Hourly Rates

\$165 for Attorneys
\$90 for Paralegals

Z. **Appointment of Auditor**

WHEREAS, Lerch, Vinci & Higgins, LLP have a fee structure that is most advantageous to the Board, price and other factors considered; and

WHEREAS, Lerch, Vinci & Higgins, LLP have the expertise and experience to provide professional services to the Board; and

WHEREAS, the Board is desirous of appointing Lerch, Vinci & Higgins, LLP to provide professional services to the Board; be it

RESOLVED, that the Closter Board of Education appoints Lerch, Vinci & Higgins, LLP as its Auditor from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

Audit fee for fiscal year ending June 30, 2022 is estimated to be \$18,722 with additional introductory and statistical sections fees for June 30, 2022 including Comprehensive Annual Financial Report (CAFR), GASB 44 and 68 Compliance, ASSA and DRTRS audits and other financial consultations.

Auditor – Hourly Rates

Partners	\$150-\$175/hour
Managers	\$125-\$140/hour
Senior Accts/Supervisors	\$ 90-\$115/hour
Staff Accts	\$ 75-\$85/hour
Other Personnel	\$ 45/hour

AA. Appointment of Architect of Record

WHEREAS, Dicara|Rubino Architects have a fee structure that is most advantageous to the Board, price and other factors, considered; and

WHEREAS, Dicara|Rubino Architects have the expertise and experience to provide professional services to the Board; and

WHEREAS, the Board is desirous of appointing Dicara|Rubino Architects to provide professional services to the Board; be it

RESOLVED, that the Closter Board of Education appoints Dicara|Rubino Architects as its Architect of Record from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

Architect of Record – Hourly Rates

\$175 for Principal
\$165 for Senior Architect
\$150 for Project Manager
\$140 for Project Architect

BB. Appointment of Insurance Risk Manager

RESOLVED, to appoint Arthur J. Gallagher & Co. as the Closter Board of Education's Risk Manager of Record from the date of this Organization Meeting until the Organization Meeting in the next calendar year; and be it further

RESOLVED that the Board authorizes the Fund (NESBIG) to pay Arthur J. Gallagher & Co. as compensation for services rendered, an amount approved by the NESBIG Executive Board.

CC. Appointment of Broker of Record for Employee Benefits

RESOLVED, to appoint Brown & Brown Benefit Advisors as the Closter Board of Education's Broker of Record for employee benefits from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

DD. Appointment of Medical Examiner/School Physician

RESOLVED, to reappoint Dr. Shilpa Patel of Closter, NJ, as the Closter Board of Education's medical examiner/school physician of record from the date of this Organization Meeting through June 2022.

EE. Transfer Authority between Board Meetings

RESOLVED, that as provided by N.J.S.A. 18A:22-8.1 amended, the Superintendent or Superintendent's designee shall be authorized to approve such line-item budget transfers as necessary between board meetings and that such transfers shall be

reported, ratified and duly recorded in the minutes of the next regular Board meeting; and be it further

RESOLVED, that this Resolution is in effect from the date of this Organization Meeting until the Organization Meeting in the next calendar year.

CODE of ETHICS

At this time, the Board Members will take turns reading aloud the Code of Ethics for School Board Members.

PUBLIC DISCUSSION

Moved by Ms. Micera, seconded by Ms. Cross to open the meeting to the public discussion at PM.

Statements made by individual participants are limited to a duration of three (3) minutes unless otherwise announced at the beginning of the discussion. A maximum of 15 minutes for public input is scheduled as per bylaw 0167. The Board urges large groups to select one person to represent them. The Board reminds those individuals who take the opportunity to speak to please step up, identify themselves by name and address.

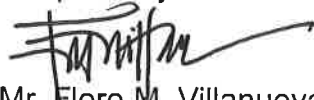
Ms. Finkelstein reminded the public that while the board will continue to livestream the meetings, public comments can only be done in person or written comments may be submitted before the board meeting.

Moved by Ms. Micera , seconded by Ms. Cross to resume the regular order of business.

ADJOURNMENT

Moved by Ms. Micera, seconded by Ms. Cross to adjourn the meeting at 7:58 PM.

Respectfully submitted,



Mr. Floro M. Villanueva, Jr.
Business Administrator/Board Secretary

OPEN PUBLIC MEETINGS ACT RESOLUTION

BE IT RESOLVED by the Board of Education of the Borough of Closter, in compliance with the provisions of the "Open Public Meetings Act" Chapter 231, P.L. 1975, effective January 19, 1976, (hereinafter called The Act), that:

1. Except as provided by Section 7b of The Act, all meetings of the Closter Board of Education shall be open to the public at all times.
2. At every Work Session Meeting and Regular Meeting, the public shall be entitled to observe and may actively participate during the time or times designated for that purpose in the Order of Business.
3. The Regular Meetings of the Closter Board of Education shall be held in the Auditorium at the Tenakill Middle School, 275 High Street, Closter, New Jersey, at 7:30 PM, generally on a Thursday. There will only be one meeting in June, July, November and December on the dates set forth in the Schedule of Meetings annexed hereto and made part hereof. Official action may be taken at any public meeting.
4. The Work Session Meetings of the Closter Board of Education shall be held in the Auditorium at the Tenakill Middle School, 275 High Street, Closter, New Jersey, at 7:30 PM, generally on a Thursday, on the dates set forth in the Schedule of Meetings annexed hereto and made part hereof. Official action may be taken at any public meeting.
5. Within 7 days following the adoption of this resolution and any revising or modifying resolution, and within 48 hours in advance of same and any additional, revised, or modified meetings times;
 - a. a copy shall be posted on the district's website;
 - b. a copy shall be posted on a bulletin board in the Board of Education Office, accessible to the public at all business hours, posted at each school in the district and shall remain so posted until replaced with a duly adopted resolution setting forth any revision thereof;
 - c. a copy shall be sent to *The Record* and the *Northern Valley Suburbanite* newspapers;
 - d. a copy shall be filed with the Borough Clerk of the Borough of Closter.

CLOSTER BOARD of EDUCATION
Closter, New Jersey
Schedule of Meetings

In compliance with the Open Public Meetings Act, Chapter 231, P.L. 1975, State of New Jersey, notice is hereby given of the Work Session and Regular meeting dates of the Closter Board of Education, County of Bergen, State of New Jersey for the period of January 2022 through December 2022 and the Organization Meeting on January 5, 2023.

All meetings will start at 7:30 PM in the Tenakill Middle School Auditorium located at 275 High Street, Closter, NJ. Special meetings and/or changes to the schedule of meetings set forth below will be announced and posted in compliance with the Open Public Meetings Act.

Work Session Meetings

January 6, 2022
February 3, 2022
March 10, 2022
April 7, 2022
May 12, 2022
No Meeting Scheduled
No Meeting Scheduled
August 11, 2022
September 8, 2022
October 13, 2022
No Meeting Scheduled
No Meeting Scheduled

Regular Meetings

January 20, 2022
February 17, 2022
March 24, 2022
April 28, 2022 (Budget Hearing)
May 26, 2022
June 16, 2022
July 14, 2022
August 25, 2022
September 22, 2022
October 27, 2022
November 17, 2022
December 8, 2022

Organization meeting: January 5, 2023

All meetings of the Closter Board of Education shall be open to the public at all times; however the Closter Board of Education reserves the right to convene in executive/closed session and exclude the public to discuss legal matters, personnel, collective bargaining, contract negotiations, and any other exception as defined by the Open Public Meetings Act.

At every Work Session Meeting and Regular Meeting, the public shall be entitled to observe and may participate during the time or times designated for that purpose in the Order of Business.

Official action may be taken at any meeting.

By Order of the Closter Board of Education
340 Homans Avenue, Closter, NJ 07624

Floro M. Villanueva, Jr.
Business Administrator/Board Secretary

NEW JERSEY SCHOOL BOARD MEMBER
CODE OF ETHICS
N.J.S.A. 18A:12-24.1

A school board member shall abide by the following Code of Ethics for School Board Members:

- a. I will uphold and enforce all laws, rules and regulations of the State Board of Education, and court orders pertaining to schools. Desired changes shall be brought about only through legal and ethical procedures.
- b. I will make decisions in terms of the educational welfare of children and will seek to develop and maintain public schools that meet the individual needs of all children regardless of their ability, race, creed, sex, or social standing.
- c. I will confine my board action to policy making, planning and appraisal, and I will help to frame policies and plans only after the board has consulted those who will be affected by them.
- d. I will carry out my responsibility, not to administer the schools, but, together with my fellow board members, to see that they are well run.
- e. I will recognize that authority rests with the board of education and will make no personal promises nor take any private action which may compromise the board.
- f. I will refuse to surrender my independent judgment to special interest or partisan political groups or to use the schools for personal gain or for the gain of friends.
- g. I will hold confidential all matters pertaining to the schools which, if disclosed, would needlessly injure individuals or the schools. In all other matters, I will provide accurate information and, in concert with my fellow board members, interpret to the staff the aspirations of the community for its schools.
- h. I will vote to appoint the best qualified personnel available after consideration of the recommendation of the chief administrative officer.
- i. I will support and protect school personnel in proper performance of their duties.
- j. I will refer all complaints to the chief administrative officer and will act on the complaints at public meetings only after failure of an administrative solution.

Bank Accounts

<i>Account</i>	<i>Signatures</i>	<i>Authorized Signatories</i>
General Account	3	SBA or Supt., and Treasurer, President or V. President
Milk Account	3	SBA or Supt., and Treasurer, President or V. President
Capital Reserve Fund	3	SBA or Supt., and Treasurer, President or V. President
Payroll	1	Treasurer
Agency Accounts	2	SBA and Treasurer
Unemployment Trust	3	SBA or Supt., and Treasurer, President or V. President
Student Activity - Hillside	2 or 3	Principal, Business Administrator, or School Secretary
Student Activity - Tenakill	2 or 3	Principal, Business Administrator, or School Secretary
Petty Cash - Hillside	2 or 3	Principal, Business Administrator, or School Secretary
Petty Cash - Tenakill	2 or 3	Principal, Business Administrator, or School Secretary



Closter Public Schools

340 Homans Avenue • Closter, New Jersey 07624

PURCHASING MANUAL

Prepared by:
Mr. Floro M. Villanueva Jr.
Board Secretary/Business Administrator
Purchasing Agent

CLOSTER PUBLIC SCHOOLS

*Business Office
340 Homans Avenue
Closter, New Jersey 07624*

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CLOSTER PUBLIC SCHOOLS

*Business Office
340 Homans Avenue
Closter, New Jersey 07624*

Office of Floro M. Villanueva Jr.
*Board Secretary/ School Business Administrator/
Purchasing Agent*

TO: All District Employees

The purpose of this Purchasing Manual is to assist all Board of Education employees in the proper purchasing practices to be in full compliance with:

- New Jersey Public School Contract Laws Title 18A:18A, et. seq.;
- New Jersey Administrative Code N.J.A.C. 5:34 et. seq.;
- Board of Education Policy;
- Other federal, state law and code; and
- NJ QSAC.
- Local Finance Notices – NJ Division of Local Government Services

The Purchasing Manual is designed to achieve three (3) goals:

1. Follow the law and Board policy on purchasing;
2. Promote efficiency in the purchasing practices; and
3. Achieve savings of money through proper purchasing practices.

We ask you, the user of the purchasing system, to help achieve these goals through proper planning. Please allow yourself enough leeway between generating a purchase order and the actual date materials or services are needed. Please think of purchasing in terms of a whole year. What items and services do you need on an annual basis?

Through proper planning, we can eliminate much of the frustration that is encountered in all public school purchasing procedures.

This manual should be reviewed with department heads, teachers, secretaries, and others who are involved in the purchasing process. It is imperative that everyone adhere to all purchasing laws and guidelines.

If you have any questions concerning the following guidelines, please do not hesitate to call the Assistant to the BA/Purchasing Office, Extension 41112.

Thank you,

Floro M. Villanueva Jr.
Business Administrator,
Board Secretary, Purchasing Agent

PURCHASE ORDER PROCEDURES

Authority to Purchase

The purchase of goods and/or services by a board of education is governed by state statutes, administrative code and board policy. New Jersey State Law (18A:18A-2(b)) assigns the authority to the Purchasing Agent to make purchases for the board of education.

The Purchasing Agent is the only individual in the school district that has the authority to make purchases for the board of education.

The Closter Board of Education by board resolution has authorized Mr. Floro M. Villanueva Jr. to be the Purchasing Agent for the school district.

Authorized Purchases

All requests for purchases of goods and/or services must be made through an approved purchase order signed by the Purchasing Agent.

A purchase order, pursuant to State Law, is a document issued by the Purchasing Agent authorizing goods or materials to be ordered for the school district or work/service to begin. No goods or materials may be ordered or work/service be authorized to begin by any other individual in the school district other than the Purchasing Agent.

Unauthorized Purchases

Any Board of Education employee who orders and/or receives any materials, supplies or services without first going through the approved purchase order process has made an unauthorized purchase.

Unauthorized purchases are a violation of State Law and Board Policy.

Penalties listed below may be assigned by the Superintendent of Schools for unauthorized purchases:

Penalties for Unauthorized Purchases

Failure to comply with the proper procedures as delineated in the Purchase Order Manual will result in written notification to the staff member responsible for the error(s). Be advised that all unauthorized purchases may cause the employee to bear the sole financial burden of said purchase(s), at the discretion of the District.

Corrective Action for Non-compliance

If the Purchasing Agent has determined that an unauthorized purchase has been made, a memo will be sent to the responsible administrator advising the administrator of the unauthorized purchase. The Superintendent of Schools shall receive a copy of the memo.

The responsible administrator shall prepare a memo explaining the reasons why proper purchasing procedures were not followed. The memo will be attached to the purchase order and a copy of the memo will be sent to the Superintendent of Schools.

Corrective Action for Non-compliance (continued)

At any time, during the Corrective Action Process, the Superintendent may invoke the penalties for non-compliance.

A repeat offense of an unauthorized purchase by the same staff member within a school year will mandate that the staff member attend a special in-service workshop on proper purchasing procedures and any sanction that may be invoked by the Superintendent.

Miscellaneous:

Preview of Materials

All staff members must receive permission from administrators, supervisors, or principals to preview materials. After the preview process has been completed, the item must be returned. If there is a desire to purchase the previewed item, then a purchase order must be prepared for a new item.

Reimbursements: Employee

The Board of Education only recognizes an employee reimbursement purchase order when it pertains to pre-approved travel, meals, and conferences. The Board will not reimburse employees for items and goods personally purchased by the employee.

Student Activity Accounts

Purchases made through Student Activity Accounts may not be reimbursed with Board funds. Purchase orders made payable to Student Activity Accounts for the aforementioned purpose will not be signed by the Purchasing Agent.

A. Responsibilities of Originator of Purchase Order - Preparing a Purchase Order Request

The person who prepares the purchase order has certain responsibilities before the order is sent to the administrator, supervisor, or principal for approval. He/She is to ensure the following:

1. **Vendor's Name** -- All Board checks are made payable to the vendor name (top line) listed on the purchase order. Please ensure the proper vendor name is printed.
2. **Vendor's Complete Address**— If it is an existing vendor, there is no need to indicate the address. For new vendors, the purchase order request form must include the vendor's complete address and phone number. Post Office Box addresses by themselves are not acceptable unless they are of major well-known companies.
3. **Description of Items, Services, Costs and Catalogue Numbers**--Items and/or services requested are to be described clearly with correct and up-to-date catalogue numbers and costs. Please use latest catalogues available.
4. **Shipping Costs**--Shipping and handling costs are to be added to all purchase orders. Please read the catalogue or contact the vendor to determine the actual shipping and handling costs.

If you are unable to ascertain the actual charges, type

“15% Estimated Shipping and Handling”

If there are no shipping and handling charges, type on purchase order

“Shipping and Handling Included.”

5. **Total Cost**-- Please make sure that you have the correct total for the order. Minimum Order-- The minimum order amount for all purchase orders is \$25.00. Please try to plan and combine orders to exceed the \$25.00 limit. Please verify your figures for accuracy. Please note: The Closter Board of Education is exempt from paying New Jersey Sales Tax.
6. **Budget Account Number**--Please be sure the correct Budget Account Number is selected on the purchase order request form.
7. **State Contract Orders**--When ordering through State Contract vendors (minimum order \$100.00) please include:
 - a. State Contract Number;
 - b. Shipping and Handling Included; and
 - c. Appropriate documentation when required.
8. **Quotations**--If quotations are obtained, please attach to the purchase order request form a copy of each written quotation received.
9. **Bids**--If bids are obtained, please type the following in the upper left corner on the purchase order in the space provided:
 - a. Bid Date; and
 - b. Bid Number.
10. **Staple Purchase Orders**--Purchase orders are to be stapled if two or more purchase order forms are used for the same order.
11. **Multi-Page Purchase Orders** --Multi-page purchase orders should not exceed three (3) pages.

MEALS, REFRESHMENTS, CATERING

The State of New Jersey Department of Education has provided guidance to school districts through Administrative Code N.J.A.C. 6A:23A-5.8 on board expenditures for meals and refreshments.

The expenditure of public funds for meals and refreshments may be used for the following:

Permitted Activities for Meals, Refreshments, Catering

- **Student Activities**
Reasonable costs for light meals and refreshments directly related to activities that benefit students and are part of the instructional program are permissible. These activities must be part of the instructional program and not solely for student entertainment.
- **Parent Activities**
Reasonable costs* for light meals and refreshments for parent activities are permissible. It is expected that expenditures for this purpose will be minimal and infrequent—State code.
- **Dignitaries**
Reasonable costs* for light meals and refreshments for dignitaries as defined in State code, are permissible.
- **Board Member Meetings -- N.J.A.C. 6A:23A-7.12(f)**
Light meals and refreshments* are permitted for all board members and for employees who are required to attend a board of education meeting.

*Please note that costs for light meals and refreshments are limited as follows:

Breakfast	\$ 7.00 per person
Lunch	\$10.00 per person
Dinner	\$15.00 per person

Documentation Required

Documentation must be provided to support expenditures for light meals and refreshments. The following information is to be provided on the Purchase Order Request:

- Description of the activity;
- Purpose/justification of the activity; goal; objectives;
- Make-up of the group receiving the meals; and
- Names of employees and board members included in the group.

Prohibited Activities

- **Athletic Activities**
Light meals and refreshments served to *guests* at any athletic event, game or contest are not permitted.
- **Staff and Employees of the School District**
Light meals and refreshments are not permitted for employees and staff of a school district, unless the staff member or employee is essential to *a student activity* where light meals or refreshments are being served.
- **Honoring Employees**
Receptions, dinners or other social functions held for or honoring any employee or group of employees are not permitted when public funds are being used.

Purchase of Food Supplies – Supermarkets

New Jersey state law and code excludes the purchase of food supplies from the bidding process if the food supplies are for the school cafeteria or home economics classes.

Food supplies purchased from the supermarkets shall be in compliance with state law and code and only for the approved list of situations. All purchase orders, including student activity account purchases, are subject to review by Department of Education (DOE) officials and auditors.

Food Supplies

New Jersey Administrative Code 6A:23A-2.6(b) clearly notes that food supplies include those supplies that are “eaten or drunk.” Administrators are to ensure that purchases from the supermarkets have only items listed that follow the code. The Business Office will review the register receipts and highlight those items that do not follow the code.

PERMITTED AND NON-ESSENTIAL PURCHASES

1. Permitted Purchases

- Commencement; Convocation Activities

All reasonable costs for commencement; convocation activities are permitted.

- Field Trips / Extracurricular Activities

All field trips using public funds (purchase order) shall be part of the instructional program, have an educational value and shall be reasonable in cost. Field trips solely for student entertainment are prohibited when using public funds.

- Library Books; Magazines, Videos/DVD's/CD's

All library books; magazines and multi-media presentation materials shall be for educational or operational purposes.

- T-Shirts

The Superintendent will consider, on a case by case basis, requests for the purchase of T-Shirts. It is strongly encouraged that purchases of T-Shirts be made through the appropriate student activity account.

2. Non-Essential and Prohibited Purchases

- Carnivals
- Gifts for Employees
- Teacher appreciation gifts/activities
- Bereavement flowers; baskets
- Student entertainment

The list is not all inclusive and items may be deemed non-essential by the Superintendent during the course of the school year.

C. Responsibilities of Administrator/Supervisor or Principal – Reviewing a Purchase Order Request

Administrators/supervisors and principals must ensure the following is reviewed before the purchase order request is sent to the Business Administrator:

1. Funds Available

They must check to determine if *funds are available* in their budget to cover the order.

2. Purchase Order Requisition Completion

They must check to determine that items 1-11 previously noted (Responsibilities of the Originator) have been *properly completed*.

3. Signature on Purchase Order Request

The purchase order request must be signed (no rubber stamps, please) and sent to the Business Office. By signing the purchase order request, the administrator/supervisor or principal is certifying that funds are available in the budget account line to cover the cost of the purchase.

4. Approval of Principal

Central office administrators and supervisors have been notified that whenever they order materials, textbooks, and equipment for the instructional staff of the various schools, the purchase order request for these items must be approved by the school principal.

5. Originator Copy (Yellow)

The originator copy (*yellow*) of the purchase order remains in the office of the requestor.

6. Receiving Copy (Blue)

Once the purchase order has been posted and mailed to the vendor, the Business Office will send the Receiving Copy (Blue) of the purchase order back to the school or office. If you do not receive the Receiving Copy (Blue) within two (2) weeks of signing the purchase order, please contact the Business Office.

D. Responsibilities of the Business Administrator

Upon receipt of the purchase order, the Business Administrator's Office stamps the date and time on it. The Superintendent or the Business Administrator reviews and determines the educational or operational value of each purchase order.

The purchase order is then signed by the Business Administrator and the Superintendent and sent to the vendor.

E. Responsibilities of Business Office

The Purchasing Agent reviews each purchase order. Special attention is given to the following:

1. **Available Funds**-- Purchase orders are divided by account and are checked to determine if funds are available in the account. If not, the purchase order is returned by the Accounts Payable Specialist to the originator with a memo of explanation.

2. **What is being ordered and the cost**--The Purchasing Agent reviews the technical aspects of the purchase order to ensure compliance with State Law and Board Policy.

The Business Office checks the cost of each item and determines if it can be purchased from another vendor at a savings. The Business Office also reviews whether the purchase order exceeds:

The Quotation Limit	\$6,600.00
The Bid Limit	\$44,000.00

3. **Document Check – State Law**

Pursuant to various State Laws, the Purchasing Agent/Accounts Payable Specialist must ensure the following documents are on file in the Business Office before the purchase order is signed and processed:

- Affirmative Action Evidence – Contracts \$44,000.00 and over (cumulative).
- Business Registration Certificate (BRC) – Purchases \$6,600.00 and over.
- Chapter 271 – Political Contribution Disclosure Form (PCD) * Purchases over \$17,500.00 (cumulative).
- Completed Form W-9 – required of all vendors doing business with CBOE
- Certificate of Employee Information Report (AA302) – purchases 44,000 and over.
- Disclosure of Investment Activities in Iran – Any person or entity that submits a bid proposal or otherwise propose to enter into or renew a contract must certify that neither the person nor entity, nor any affiliates are engaged in investment activities in Iran.

*Administrators recommending contracts for professional/educational services are to secure the Chapter 271 PCD from the vendor when the vendor submits his/her proposal. The PCD must be forwarded to the Business Office.

A copy of the PCD is in the Appendix.

4. **Review of Purchase Order**--The purchase order request is also reviewed for technical aspects such as:

- a. Account number missing or incorrect;
- b. Shipping charges added;
- c. Signatures missing;
- d. State contract numbers incorrect/missing;
- e. Vendor address incomplete; and
- f. Other items as listed in Section A.

Incomplete or improper purchase order request will be returned with a memo explaining deficiencies. See copy of memo in Appendix.

If the Purchasing Agent is satisfied, he signs the purchase order request. The Business Office will then:

- Issue a purchase order number;
- Issue a vendor number;
- Enter the purchase order in the computer; and
- Mail the purchase order to the vendor.

The purchase order process, as explained, may take 2 - 5 days to complete. Please plan accordingly

5. **Transfer of Funds**--The Business Office processes purchase orders only if there are appropriate funds to cover the purchase. Purchase orders lacking sufficient funds are sent back to the originator for a request to transfer funds.

All transfers of funds have to be approved by the Board of Education at a public meeting.

Substantive transfers of money (more than 10% of the budget line item) must be approved by the County. Purchase orders that require a transfer of funds will be mailed to the vendors the day after the County Department of Education approves the transfers.

F. Responsibility of the Vendor

The Business Office sends to the vendor the purchase order and the voucher. The vendor is to sign the voucher and return it to the Business Office with an invoice. If you receive a signed voucher, return it to the Business Office. A check is prepared for the vendor once the Business Office has a

- Signed Voucher
- Invoice
- All Packing Slips
- Receiving Copy (Blue) Signed

G. Employees Prohibited from Signing Contracts

Board of Education employees are prohibited from signing any contract offered by a vendor.

The power to sign and execute contracts after Board of Education approval lies with the Board President and the Board Secretary.

Contracts signed by an employee shall be considered non-binding by the Closter Board of Education with the employee accepting full responsibility for the costs of the contract.

H. Contracts; Purchase Order Required

The award of contract to a vendor approved by the Board of Education at a public meeting does not automatically authorize any employee to use the services of, or purchase materials from, the vendor.

All contract purchases require the issuance of a purchase order authorizing the purchase of services and/or goods and materials from the vendor.

I. Cancellation of Purchase Orders

All requests to cancel purchase orders must be made in writing to the Business Office. Reasons explaining the need to cancel the purchase order must be outlined. The Purchasing Agent maintains the sole right to cancel purchase orders.

J. Private Purchases -- Prohibited

Goods and services procured by the Closter Board of Education are exclusively for the use of the Closter Board of Education. These goods and services are purchased through the signed purchase order process.

Employees of the Closter Board of Education are prohibited from purchasing privately goods and/or services off the bid prices and quotation prices offered by the vendors to the Closter Board of Education.

BIDS AND PURCHASING

A. Bid Limit -- \$44,000

The Closter Board of Education is restricted by New Jersey State Law on how much money can be spent by the district for the entire year on materials, supplies, and services.

This restriction is called the **bid threshold** or **bid limit**. The bid limit is \$44,000. This means that any specific item, class of items, and/or services of a similar nature, purchased by the school district totaling more than \$44,000 for the entire year must be competitively bid. This restriction is for the entire district and not by location or schools.

You cannot circumvent the law by splitting purchases to be under the \$44,000 bid limit.

If you find that your purchases may exceed the \$44,000 bid limit, please contact the Purchasing Office at once.

The formal bidding process takes about 6-8 weeks to complete.

B. Annual Bids

The Board of Education requests that central office department administrators and supervisors and school principals start to plan and prepare for Annual Bids. The proposed time lines are as follows:

- March* • Administrators/Supervisors prepare technical specifications to be reviewed by Purchasing Agent.
- April* • Purchasing Agent prepares final bid specifications to be drafted in a manner to encourage free, open, and competitive bidding.
- May/June* • Annual bids are received, opened and tabulated by Purchasing Agent.
- June* • Bid resolutions are prepared by Purchasing Agent for Board approval.
- July* • Purchase orders are generated by Administrators/Supervisors for August/September delivery.

Please note: The delivery of furniture usually takes place about 8-12 weeks after receipt of purchase order.

C. Bidding: Time Frame

As stated before, the formal bidding process usually takes about 6-8 weeks from start to finish. Please plan appropriately. An outline of the bidding process is located in the Appendix.

D. Exceptions to the Bid Limit

New Jersey State Law allows for some exceptions to the bid and quotation limits. There are approximately 20 exceptions where a Board of Education does not have to go for bid. Some of them are:

1. Purchasing through State Contract;
2. Professional services as outlined by New Jersey law;

*3. Textbooks, kindergarten supplies, student produced publications, library and educational goods;

*4. Legal notices, food supplies, milk, utilities, insurance, election expenses, travel and conferences.

* These purchases may be subject to the quotation process pursuant to N.J.S.A. 18A:18A-37(a) if practicable.

Please contact the Purchasing Agent for further explanation.

E. State Contract Purchasing

Pursuant to N.J.S.A. 18A:18A-10(a) a Board of Education may purchase goods and services through State Contract vendors. If the purchase exceeds the bid threshold, the Board of Education must adopt a resolution awarding the contract.

① *Office Supplies and School Supplies*

The Purchasing Agent will distribute separate memos highlighting State Contract vendors who sell Office Supplies and School Supplies. Please review these memos with your staff.

If you plan to purchase Office Supplies and School Supplies from a State Contract vendor, please follow the instructions on the memo.

② *Computers*

If you plan to purchase computers, please adhere to the following process prior to completing purchase order requests for computers.

- Contact the District Network Engineer

Please contact salvati@nynet.org He will be able to assist you with the technical aspects and the State Contract requirements of purchasing computers.

- Contact the Supervisor of Buildings and Grounds

Please contact **Mr. Ralph Chappell**. The Supervisor has to be apprised of all computer purchases to properly plan for electrical hookups. The Supervisor must approve requisitions for new computers before they are sent to the Business Administrator.

E. State Contract Purchasing (continued)

Purchase Orders--State Contract

All purchase orders made through State Contract vendors shall include the following:

1. State Contract Number;
2. Notification of Award;
3. Approved Price List; and
4. Shipping and Handling Included.

F. Professional Services/Professional Consultants

Although Professional Services, as defined in Title 18A:18A-5, do not require competitive bids or quotations, DOE regulations may require the Board of Education to obtain competitive proposals for any professional service.

All administrators who need professional services contracts are to contact Mr. Villanueva.

G. Emergency Contracts

Emergency Contracts are strictly regulated by N.J.S.A. 18A: 18A-7. A situation must exist affecting the health or safety of the occupants of school property that requires the immediate delivery of articles or the performance of a service to alleviate the emergency.

The Emergency Contract process is reviewed in the Appendix. Please note that the Superintendent of Schools must be notified **first** of all emergency purchase requests.

Only the Purchasing Agent may award an Emergency Contract.

H. Cooperative Purchasing

The Closter Board of Education has contracted with Educational Data Services of Saddle Brook, NJ, to bid on items in the following categories on an as needed basis.

- | | |
|--------------------------|-----------------------------|
| 1. Office Supplies | 4. School Supplies |
| 2. Copy Duplicator Paper | 5. Art Supplies |
| 3. Science Supplies | 6. Industrial Arts Supplies |

The above categories are represented in a catalog that are sent to all schools and offices in the school year.

I. Purchases, Contracts Exceeding the Bid Threshold

Pursuant to State Law N.J.S.A. 18A:18A-5 all purchases and contracts exceeding the bid threshold of \$44,000, shall be awarded by board resolution at a public meeting of the Board of Education. This includes all items exempted from bidding and all State Contract purchases that exceed \$44,000. Only the purchase of textbooks and emergency contracts are exempt from this law.

Administrators and Supervisors must anticipate their needs as certain purchases once allowed just by purchase order now must be approved by the Board of Education first, then a purchase order can be signed and mailed.

J. Student Activity Account Purchases

Pursuant to State Law N.J.S.A. 18A:18A-5a(21), purchases made through Student Activity Accounts that exceed the bid threshold shall be awarded by the Board of Education at a public meeting.

Examples of items purchased through the Student Activity Accounts that may exceed the bid threshold are

- Class Gift
- Class Rings
- Field Trips
- Proms
- Yearbooks

A form has been developed to meet this requirement.

QUOTATIONS AND QUOTATION PROCEDURES

A. Quotations

The quotation limit (threshold) is now \$6,600. This means that any specific item or group of items of a similar nature purchased by the school district, totaling more than \$6,600 and less than \$44,000 for the entire year, must be *competitively quoted or advertised for bid at the discretion of the Purchasing Agent*.

You cannot circumvent the law by splitting purchases to be under the quote threshold.

B. Quotation Process

All quotations will go through the Office of the Purchasing Agent except for Building Services Department. Quotation proposals prepared by Building Services shall first be received and approved by the Purchasing Agent. When a quotation is deemed necessary, the Principal is asked to contact the Purchasing Office. The Purchasing Agent will review these quotation specifications to determine whether they are set up to provide open and competitive quotations.

Please note: The formal quotation process could take about 2-4 weeks from start to finish.

There will be no telephone quotations except in a case of extreme urgency.

C. Receipt of Two Quotations

Pursuant to N.J.S.A 18A:18A-37(a) the school district shall receive two quotations if practicable. Evidence of the quotation process shall be kept on file. A copy of the quotation shall be attached to the purchase order.

PURCHASE ORDER PROCESS

A. Processing the Purchase Order--Design of Purchase Order

The purchase order is made of six sheets, each color-coded for a certain purpose. Listed below are the names of the appropriate color and the purpose of each sheet.

<u>Copy</u>	<u>Color</u>	<u>Disposition</u>
Vendor Copy	White (top)	Sent to vendor to order items/provide services
Voucher Copy	Green (2nd)	Sent to vendor for signature
Receiving Copy	Blue	Sent to school/office; returned to Business Office upon receipt of goods/services
File Copy	White	Remains on file in Business Office
Office Copy	Yellow	Sent to staff ordering the items for their records

B. Receipt of Goods and Services

The originator of the purchase order should follow the following process when receiving materials, goods, and services.

1. Receipt of Items Ordered

It is important that all items received be immediately checked. Please note the following:

- a. Obtain receiving copy (blue) of purchase order and packing slip (if available) of items ordered.
- b. Open boxes and check off items received on the receiving copy and the packing slip.
- c. If all items are enclosed, then sign and attach packing slip to the receiving copy of the purchase order.
- d. The school principal/office supervisor should sign the receiving copy (blue) and send it with the packing slip to

Doreen Scarpelli – Assistant to the Business Administrator

Receipt of Goods and Services—Responsibilities of Administrators; Supervisors

Administrators and supervisors are to ensure that all goods received have been checked in for accuracy. If the goods received match the purchase order and the packing slip then the administrator should do the following:

- Sign the packing slip to confirm receipt of delivery of goods;
- Sign the Receiving Copy (blue) of the purchase order;
- Sign any invoices that may have been submitted with the order; and

Send all items to the Business Office c/o Accounts Payable within seven (7) days of the receipt of goods.

B. Receipt of Goods and Services (continued)

Accounts Payable Procedures—Notification Process

There will be instances where the Business Office Accounts Payable will send a courtesy reminder to any school or office that has not returned the paperwork in a timely fashion. The following procedures have been approved by my office:

• Thirty (30) Day Notice—Original

The Accounts Payable Office will send a reminder notice to all schools and offices that have not submitted their paperwork after 30 days of receipt of the invoice.

• Second Notice—Seven (7) Days

The Accounts Payable Office will send a second reminder notice seven (7) days later if no paperwork is received from the school or office.

• Final Notice—Seven (7) Days

The Accounts Payable Office will send a Final Notice reminder seven (7) days later if not paperwork is received from the school or office

• Superintendent's Office Contacted—Three (3) Days

The Assistant School Business Administrator will contact the Superintendent of Schools after three (3) days if the paperwork is not received from the school or office.

All receiving copies (blue) of purchase orders and packing slips should be signed and sent to the Business Office within seven (7) days of receipt of items.

The Closter Board of Education has an excellent reputation for paying its bills in a timely fashion. We ask that all employees assist in maintaining this fine reputation.

2. Problems Encountered with Receipt of Goods

✦ **Problem: Back Orders**

Sometimes items ordered will not be received in the first shipment. This is known as a back order. The packing slip will have back order written on those particular items.

Process to Follow: Back Orders

If the order is incomplete because there is a back order, wait for the next shipment. Please do the following:

- Save all received packing slips until final shipment is received..
- Upon receipt of the back order in the next shipment, check off your copies of the receiving copy (blue) and the packing slip and send both copies to the Business Office.

Problems Encountered with Adjusting Purchase Order Amount

✦ **Problem: Adjustment to PO**

If the Purchase Order requires an adjustment to the original amount, any amount within 10% of the cost may be adjusted by Accounts Payable. Anything above 10% adjustment requires the Business Administrator's approval.

B. Receipt of Goods and Services (Continued)

✦ **Problem: Items Missing from Order**

Sometimes items are marked on the packing slip that they were delivered but are missing from your shipment.

Process to Follow: Items Missing

- Call the company and tell them what was missing.
- Mark on the receiving copy and packing slip what items were missing.
- Make and keep a copy of your receiving copy (blue) and the packing slip.
- Send the original receiving copy (blue) and packing slip to the Business Office.
- Upon receipt of the missing item in the next shipment, check off your copies of the receiving copy (blue) and the packing slip and send both copies to the Business Office.

✦ **Problem: Items Damaged; Wrong Item**

Sometimes you will receive items that are damaged or the wrong item.

Process to Follow: Items Damaged; Wrong Item

- Call the company and ask them what the procedure is for returning damaged or wrong items.
- Return the item(s) to the company.
- On the receiving copy (blue) and the packing slip, mark what items were returned and the reasons for being returned. Please note how the items were returned (UPS/PO/Vendor Pick Up).
- Send the receiving copy and packing slip to the Business Office.
- Upon receipt of the missing item in the next shipment, check off your copies of the blue form.

✦ **Problem: Discontinued Item**

Sometimes the items you requested have been discontinued.

Process to Follow: Discontinued Item

- Mark on the receiving copy (blue) of the purchase order “discontinued.”
- Do not call the company for a replacement item. You must complete a new purchase order.

C. Purchase Order Cut Off Date

Administrators and Supervisors are to be alerted to the fact that purchase orders for the present school year will not be accepted after the date indicated by the Business Administrator via a memo.

D. Training Sessions

All school personnel involved in the purchasing process will attend an annual training session concerning the proper purchasing procedure.

Training Session – a day in September

ETHICS IN PURCHASING

Financial Interest in any Contract; Direct or Indirect

No employee or board member may have a direct interest in any contract or agreement for the sale of goods and services to the Board of Education, nor receive any benefit, compensation or reward from any contract for the sale of goods and services to the Board of Education. *Reference—N.J.S.A. 18A:6-8.*

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.

School District Responsibility – Recommendation of Purchases

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.

Vendor Responsibility – Doing Business with the Board of Education

Any vendor doing business or proposing to do business with the Closter 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 Closter 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 Closter Board of Education, in any manner which might tend to impair the objectivity or independence of judgment of said official or employee.

Vendor Certification

Vendors will be asked to certify that no official or employee of the Closter 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 Closter Board of Education.

Violations of the Policy

In accordance with 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.

CRIMINAL CODE CITATIONS

Title 2C -- Criminal Code

2C:27-9 Unlawful Official Business Transaction

“A public servant commits a crime of the fourth degree if, while performing his official functions on behalf of the government entity, the public servant knowingly transacts any business with himself, a member of his immediate family, or a business organization in which the public servant or an immediate family member has an interest. (N.J.S.A. 2C:27-9)

2C:27-10 -- Acceptance or Receipt of Unlawful Benefit by Public Servant for Official Behavior

“A public servant commits a crime in the fourth degree...if the public servant directly or indirectly, knowingly solicits, accepts or agrees to accept any benefit, whether the benefit inures to the public servant on another person, to influence the performance of an official duty or to commit a violation of an official duty.

APPENDIX

- A. Formal Bid Process
- B. Emergency Purchases/Contracts
- C. Memorandum--Return of Purchase Order
- D. Political Contribution Disclosure Form (PCD)
- E. List of Agencies With Elected Officials Required for PCD
- F. Copy of Purchase Order

FORMAL BID PROCESS

<u>Process</u>	<u>Time Line</u>
Initial request to bid made by Administrator/Supervisor. Certification that funds exist.	One Day
Review of specifications, fully outlining items, materials or services to be bid by Purchasing Agent.	One Week
Return of reviewed specifications to Administrator/Supervisor for final approval. Administrator/Supervisor signs off final approval.	One Week
Bid package prepared by Purchasing Agent.	One Week
Copies of bids run off by Print Shop.	One Day
Legal advertisement sent to newspaper.	Three Day Advance Notice
Bid Date/Time-- must be at least 10 days after Legal Ad appears in newspaper. Bids are opened and read publicly.	10-20 Days
Bid results are reviewed by: a. Administrator/Supervisor b. Purchasing Agent	One Week
Administrator/Supervisor prepares spreadsheet showing lowest bidders and recommends award of bid. Purchasing Agent reviews bids. Resolution is prepared.	One-Two Weeks
Bids are reviewed at Board Agenda, Committee of the Whole, and Regular Public Meetings.	One Week
Purchase orders are prepared by Administrator/Supervisor.	One Week

The formal bidding process takes about 6-8 weeks from start to finish.

Please note: Bids for Public Works/Construction Projects take longer as a request for wage determination must be formally made to the State of New Jersey.

EMERGENCY CONTRACTS (18A:18A-7)

A. Background

An actual emergency must exist. An "emergency" is not to be created as a result of inadequate planning, delay, failure to take into account construction season or administrative convenience.

B. Definition of Emergency

An emergency is a situation affecting the health or safety of occupants of school property that requires the immediate delivery of the articles or performance of a service to alleviate the emergency.

C. Process in Declaring an Emergency

1. Superintendent of Schools Notified

The Superintendent of Schools is notified by the employee/supervisor/ administrator requesting a declaration of emergency.

2. Business Administrator/Purchasing Agent Notified

The official in charge of the building or facility, wherein the emergency occurred shall notify the Business Administrator/Purchasing Agent of the following:

- a. Nature of the emergency;
- b. Time of the occurrence; and
- c. The need for the performance of a contract.

Such notification shall be prepared in writing and filed with the Purchasing Agent as soon as possible.

3. Awarding of Contract by Business Administrator/Purchasing Agent

If the Business Administrator/Purchasing Agent is satisfied the emergency exists, the Business Administrator/Purchasing Agent by State Law is authorized to award the contract.

4. Filing of Documents with State and County by Board Secretary/School Business Administrator

In accordance with N.J.A.C. 5:34-6.1, the following documents must be filed with the County Superintendent within three (3) days after awarding the contract or agreement:

- a. A copy of the contract or agreement; and
- b. A copy of the written requisition.

5. Approval by Board of Education

The Board of Education, at its next regular Board of Education Public Meeting, shall review and approve said emergency purchase.

CLOSTER BOARD OF EDUCATION
BUSINESS OFFICE
Closter, New Jersey 07055

MEMORANDUM

To: _____
From: **Floro M. Villanueva Jr**, Business Administrator/Board Secretary/Purchasing Agent
Date: _____
Re: ***Return of Purchase Order(s)***

I am returning the attached purchase order(s) for the reason(s) checked below:

- Account Number Incorrect; Missing--Please use Account Code # _____
- Bid Number, Quotation Number--Not Included on Purchase Order
- Board Resolution Needed--Attach to Purchase Order
- Chapter 271--Political Contribution Disclosure Form Required
- Conference Request Form--Not Attached; Not Approved
- Description of Item(s), Service Needed
- Date of Requisition Missing--Secretary's Initials Missing
- Minimum Order \$25.00 Minimum State Contract Order \$100.00
- Proposal/Contract Missing -- Attach to Purchase Order
- Quotation Needed--Please contact me at extension 1502 to discuss process
- Rationale Form Missing; Unsigned
- Shipping Charges Not Added
- Shipping Charges Not Needed. Type on P.O. "Shipping and Handling Included"
- Signature Missing--Administrator, Supervisor, Principal
- State Contract Number Incorrect, Missing--State Contract Documentation Missing
- Textbook Documentation Missing
- Website Documentation / Board Resolution
- Unauthorized Order--Please contact me at extension 1502 to discuss procedures
- Vendor Address Incomplete--Post Office Box Number Only
- Vendor Check Needed?
- As Per Attached Memo
- Other _____

Please make the adjustments needed and return the purchase order with this form to my office.

Closter Board of Education
Business Office
 340 Homans Avenue
 Closter, New Jersey 07624

Chapter 271
Political Contribution Disclosure Form
 (Contracts that Exceed \$17,500.00)
 Ref. N.J.S.A. 52:34-25

Part I – Vendor Information

Vendor Name:			
Address:			
City:	State:	Zip:	

The undersigned being authorized to certify, hereby certifies that the submission herein represents compliance with the provisions N.J.S.A. 19:44-20.26 and as represented by the Instructions accompanying this form.

 Signature Printed Name
 Title

Part II – Contribution Disclosure

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reportable political contributions (more than \$300 per election cycle) over the 12 months prior to submission to the committees of the government entities listed on the form provided by the local unit.

Check here if disclosure is provided in electronic form.

<u>Contributor Name</u>	<u>Recipient Name</u>	<u>Date</u>	<u>Dollar Amount</u>
			\$

Check here if the information is continued on subsequent page(s).

No Reportable Contributions (Please check (✓) if applicable.)

I certify that _____ (Business Entity) made no reportable contributions to any elected official, political candidate or any political committee as defined in N.J.S.A. 19:44-20.26.

**List of Agencies with Elected Officials Required for Political Contribution Disclosure
N.J.S.A. 52:34-25**

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #:

State Senator and two members of the General Assembly per district.

County: Bergen

Freeholders
Surrogate

County Clerk
Registrar of Deeds

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

Allendale, Alpine, Bergenfield, Bogota, Carlstadt, Cliffside Park, Closter, Cresskill, Demarest, Dumont, East Rutherford, Edgewater, Elmwood Park, Emerson, Englewood, Englewood Cliffs, Fair Lawn, Fairview, Fort Lee, Franklin Lakes, Garfield, Glen Rock, Hackensack, Harrington Park, Hasbrouck Heights, Haworth, Hillsdale, HoHo-Kus, Leonia, Little Ferry, Lodi, Lyndhurst, Mahwah, Maywood, Midland Park, Montvale, Moonachie, New Milford, North Arlington, Northvale, Norwood, Oakland, Old Tappan, Oradell, Palisades Park, Paramus, Park Ridge, Ramsey, Closter, Closter Park, Ridgewood, River Edge, River Vale, Rochelle Park, Rockleigh, Rutherford, Saddle Brook, Saddle River, South Hackensack, Teaneck, Tenafly, Teterboro, Upper Saddle River, Waldwick, Wallington, Wood-Ridge, Woodcliff Lake, Wyckoff

Boards of Education (Members of the Board):

Allendale	Fair Lawn	Maywood	River Edge
Alpine	Fair Lawn	Midland Park	River Vale
Bergenfield	Fort Lee	Montvale	Rochelle Park
Bogota	Franklin Lakes	Moonachie	Rockleigh
Carlstadt	Garfield	New Milford	Rutherford
Cliffside Park	Glen Rock	New Milford	Saddle Brook
Closter	Hackensack	Northvale	Saddle River
Cresskill	Harrington Park	Norwood,	South Hackensack
Demarest	Hasbrouck Heights	Oakland	Teaneck
Demarest	Haworth	Oradell	Tenafly
East Rutherford	Hillsdale	Palisades Park	Teterboro
Edgewater	HoHo-Kus	Paramus	Upper Saddle River
Elmwood Park	Leonia	Park Ridge	Waldwick
Englewood	Lodi	Ridgefield	Wood-Ridge
Englewood Cliffs	Lyndhurst	Ridgefield Park	Woodcliff Lake
	Mahwah	Ridgewood	Wyckoff

Fire Districts (Board of Fire commissioners):

None



Closter Public Schools

340 Homans Avenue, Closter, New Jersey 07624

STANDARD OPERATING PROCEDURES AND INTERNAL CONTROLS

Prepared By:

Mr. Floro M. Villanueva Jr.
Business Administrator / Board Secretary

Updated: December 2021

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PREFACE

The Standard Operating Procedures and Internal Controls is a document that outlines the business practices and administered by the Business Office pursuant to N.J.A.C.6A:23A-6.6. It is intended to be used as a reference manual by administrators, secretaries and any staff members that have Budgetary/Financial responsibilities. Its purpose is to provide an efficient control and accountability system that will help assure appropriate use of Public Funds. The principles of this manual are based on Generally Accepted Accounting Principles and rely on an assumption that individuals have a general understanding of the financial process of a School System. For this program to operate at optimum efficiency there must be a spirit of cooperation, teamwork and communication between the school staff and the Business Office.

OVERVIEW:

Internal controls are not separate systems of the school district. Controls are not an isolated activity but integral part of each activity used to guide the district.

Establishment, maintenance and evaluation of the internal controls are the responsibility of the administration. The evaluation of internal controls includes identifying the framework used by the administration to determine the effectiveness of the internal controls.

Controls are in place to detect or prevent errors and fraud. An error is an unintentional mistake that has the potential to affect the financial statements and fraud is the intentional misuse or misappropriation of district's assets.

OBJECTIVES OF INTERNAL CONTROL:

The three objectives of internal control are to ensure the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. The safeguarding of assets is a subset of all of these objectives.

Continuous monitoring and testing is needed to help to identify poorly designed or ineffective controls. The administration is also responsible for communicating the objectives of internal control and ensuring the organization is committed to sustaining an effective internal control environment.

COMPONENTS OF INTERNAL CONTROLS:

The five components of internal controls include the control environment, administration's risk assessment, administration's communication of the controls, control activities and monitoring of the controls.

CONTROL ENVIRONMENT:

The control environment includes the organizational structure, the control framework, the district's policies and procedures and internal and external influences. The tone set by the school district's board and administration determines the attitude toward the controls of the district.

ORGANIZATIONAL STRUCTURE:

The organizational structure determines the administration's responsibilities and the sets the relationship with the board, which sets the policies.

CONTROL FRAMEWORK:

Elements of a control framework include the following:

Segregation of duties to help ensure the reliability of the organization's internal controls. One person should not have access to all stages of a process. If there is not proper segregation, situations could arise where errors or irregularities occur and go undetected.

Integrity and competence of the personnel performing the duties are key to achieving the desired controls. This includes hiring the proper people and continually training

personnel. It is important to ensure that employees who perform financial tasks have the knowledge and skill to perform their duties.

Communication by the administration of the controls and the employee's responsibilities are as important as ensuring that employees know how to communicate irregularities that may arise.

Proper supervision of employees is needed to ensure proper execution of control activities.

DISTRICT'S POLICIES AND PROCEDURES:

The district's policies set the overall direction of the district. Procedures for all areas of financial preparation, reporting, operations, transportation, maintenance, personnel and payroll are needed. These policies and procedures will become the basis for the determination of compliance.

ADMINISTRATION'S RISK MANAGEMENT:

The administration has to conduct an assessment of risks relevant to the financial statements. This includes the identification of potential risks, the analysis of the potential impact of those risks on the ability to properly report the financial statements and the overall management of risks. Items to consider in the risk assessment of the district include, but are not limited to:

1. New personnel or new duties for existing personnel
2. How a change in accounting information system impacts controls and how effectively the training of personnel on new system was conducted
3. Changes in the regulations and laws that may affect the control environment
4. Record storage is appropriate and secure (fireproof cabinets when needed for manual documents and proper passwords and access limitations for electronic information)
5. District limits access to computers and data files
6. Segregation of duties
7. Transactions are recorded timely
8. Cash is deposited timely
9. Assets are physically safeguarded
10. Transactions are performed only by authorized personnel
11. Reconciliations are properly and promptly completed
12. Occurrences of management override

INFORMATION AND COMMUNICATION:

The administration needs to determine if the information systems utilized in the district are adequate and relevant for their intended purpose.

The district's administration is responsible for communicating the controls of the district and the responsibilities of each employee in the control system. The administration is also charged with reviewing information that may indicate a flaw in the controls that would not allow the control to detect an error in a timely fashion.

CONTROL ACTIVITIES:

Control activities include the policies and procedures that are in place to achieve the controls desired. Documentation of the control activities is vital to the overall control environment.

These activities include, but are not limited to:

1. Segregation of duties
2. Transactions are recorded timely
3. Cash is deposited timely
4. Assets are physically safeguarded
5. Transactions are performed by only authorized personnel
6. Reconciliations are properly and promptly completed

CONTROL ASSERTIONS:

Control activities can be categorized into one or more assertions. All assertions should be addressed for each process (payroll, cash disbursements, etc).

1. Existence (E) /Occurrence (O) – Existence is whether the assets or liabilities of the district exist at any given point in time (cash, state aid receivable). Occurrence is the whether the transaction took place (goods were received before the PO was moved to accounts payable from encumbrances)
2. Valuation (V) or Allocation (A) – Valuation is whether the asset or liability is included on the board secretary’s report at the proper value (the amount of cash or state aid receivable). Allocation is whether the revenue and expenditures were recorded in the proper amounts.
3. Accuracy/ Classification (A/CL) – transactions are recorded accurately and the classification of the transactions are proper.
4. Completeness (CO) – is whether all transactions are included (unrecorded purchase orders).
5. Cutoff (C) – Transactions are recorded at the proper time (purchase orders written in the proper year).

MONITORING:

The administration is charged with reviewing internal controls on an ongoing basis. Monitoring can include responding to the recommendation of the auditor in changes in the controls. Reviewing correspondence from outside sources such as banks and vendors for unusual items is part of monitoring.

Employees should be required to “sign off” on their understanding of the control activities and their responsibilities in those activities.

AFTER THE CONTROLS ARE ESTABLISHED:

Once the district establishes controls, those controls need to be evaluated at least annually and anytime circumstances dictate. Changes in personnel or regulations are examples of these.

SECTION I – INTERNAL CONTROLS

As controls are evaluated they will either be effective or ineffective at achieving the proposed control. Controls are effective when there would be no material weaknesses in internal controls involved in financial reporting. Ineffective controls would be those where at least one material weakness exists. If a control is determined to be ineffective, then the control deficiency needs to be evaluated.

CONTROL DEFICIENCIES:

A control deficiency exists when the design or operation of a control does not allow the administration to prevent or detect misstatements on a timely basis. A design deficiency exists when a necessary control is missing or is not designed to enable the control objective to be met. An operational deficiency exists when control is designed properly, but does not operate as designed or the person performing the control is not qualified to perform the control.

A deficiency may exist that is unavoidable (segregation of duties in a small office). For these, compensating procedures should be put in place. These compensating procedures do not correct the deficiency.

REASONABLE ASSURANCE AND LIMITATIONS ON CONTROLS:

Reasonable assurance is a high level of assurance, but is not absolute. The district should understand that potential fraud could exist and not be detected timely in the following circumstances: when the district has poorly designed or operated internal controls, or when there are too many overrides of controls, when there is collusion between employees or between an employee and a third party.

REVIEW OF DISTRICT PROCESSES:

When reviewing processes in the district, it may help to consider incorporating the “5 Ws”.

1. Who performs each activity? Who receives the outcome of the activities?
2. What activities are performed? What forms and reports are used? What computer systems and files are used?
3. When are activities performed? What is the sequence of activities? What is the timing of the activities? What is the frequency of the activities?
4. Where are activities performed (i.e., board office, school, etc.)?
5. Why are activities performed (i.e., what risks are controlled, what control assertion does process step serve, etc.)?

One final consideration should be whether any changes to the process will increase the efficiency of the process or firm up the controls.

CONTROLS LISTED:

The controls listed here are not intended to be a complete list of controls, as each district will have different processes, controls and concerns. These items should be used as a beginning for the review of controls.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

EVALUATING INTERNAL CONTROLS

TITLE: INTERNAL CONTROLS

Subtitle: Evaluation of Internal Controls

Purpose: *To ensure that controls are evaluated on as periodic basis to ensure the controls continue to be effective.*

Procedure:

1. The business administrator will establish a process to evaluate internal controls over all areas of financial and operational procedures in the district.
2. These internal controls should be evaluated at least annually and every time one of the following conditions exists:
 - a. Change in personnel performing a control function
 - b. Change in accounting system
 - c. Change in regulations
3. As the controls are evaluated, a determination should be made that designates the control as either effective or ineffective. Ineffective controls should be changed to achieve the proper level of effectiveness required.
4. Written documentation of the review of the controls in place should be kept.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

COMMUNICATING STAFF MEMBERS ROLES

Title: INTERNAL CONTROLS

Subtitle: Communicating Staff Members' Role in the Internal Controls

Purpose: *To ensure that everyone in the district who performs or should perform a control function understands the control.*

Procedure:

1. The business administrator will establish a procedure to ensure the all employees and board members who are charged with a control understand the importance of the control and their role in the control environment.
 - a. Controls that are not performed with an understanding of the control will not be effective.
 - b. A review of the controls and the staff members' role in the controls should be conducted at least annually and anytime there is a change in the control, the personnel or the laws and regulations affecting the control.
 - c. Documentation of these reviews should be maintained.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

CASH CONTROLS

Title: INTERNAL CONTROLS

Subtitle: Cash/Check Controls

Purpose: *To identify the controls over cash/check and the personnel responsible*

Procedure:

Cash Receipt activities:

As cash has a greater likelihood of mishandling, it is imperative that control and recordkeeping be thorough, prompt and accurate.

Cash generated in District operations must be deposited within 24-48 hours.

If it is not practical to deposit cash receipts at the bank, the cash must be delivered to the Business Office as soon as possible. An employee of the Business Office must count the cash in the presence of the delivery person and render a written receipt.

Any time cash must be transferred, cash must be counted in the presence of the delivery person and a written receipt rendered.

Fiscal Year Cash Flow Analysis

Cash flow analysis is performed at the start of the year and will be monitored on a monthly basis, including payroll tracking, open tuition and utilities encumbrances, and overall cash status. The Business Administrator will cross check the cash report submitted by the school treasurer.

See Section III for controls

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

PAYROLL CONTROLS

Title: INTERNAL CONTROLS

Subtitle: Payroll Controls

Purpose: *To identify the controls which exist over payroll related items.*

Procedure:

The Business Administrator will establish controls that help ensure that the errors and fraud in payroll would be detected in a timely manner. These controls may be some or all of the following:

With respect to payroll:

- Periodically search for fictitious employees
- Determine improper alterations of amounts
- Verify that federal and state deductions are taken, remitted and documented
- Examine vouchers / frontline reports and trace to payroll records in order to verify the proper recording of employee hours.
- Verify the accuracy of pay rates by comparing them to board minutes.
- Review the adequacy of internal controls relating to hiring, overtime, and retirement.
- Determine if proper payroll forms exist such as W-4s and I-9s.

Tri-annual payroll verification will be conducted in compliance with State regulations that require employees to present required photo identification.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: Accounting

Subtitle: General Ledger and Other Business Office Function

Purpose: *To ensure accurate and timely recording and reconciliation of all financial activities*

Staff: Business Administrator and Business Office Staff

Opening Entries

- Verifies that correct beginning balances and voter approved budget are entered into software.
- Records revenue entries for tax levy receivable, state aid receivable, debt service aid and other known receivables including tuition.

Monthly

- Compare Board Secretary's Report to Subsidiary Ledgers.
- Compare Board Secretary and Treasurer's Report for agreement.
- Board Secretary Report balances for all funds.
- Verify that all accounts and funds are reported in Board Secretary and Treasurer's/Cash Report.
- Review all accounts for funds availability and prepares transfer(s) as needed.
- Completes Transfer Worksheet for all accounts.

Year-End Procedures

- At year end complete all accrual entries and properly close out accounts.
- Supporting documentation for all accounts, for audit verification.
- Review all year end purchases, for determination as accounts payable or carry forward encumbrance.
- Verify outstanding encumbrances are paid within 90 days.
- All tasks performed by support staff will be reviewed and approved by the BA.

ACCOUNTS RECEIVABLE

- Appropriate users of facilities have been billed for usage and recorded appropriately
- Record tuition receivable for tuition students
- Record tax levy receivable for general fund and debt service (if applicable)
- Record state aid receivable for general fund, capital projects and debt service (if applicable)
- At month end – record receivable for milk program due from state
- Records bi-monthly receivable amounts for TPAF FICA; monitors and correctly records electronic transfer receipts.
- Verifies year-end accounts receivable amount for preparation of audit.

ACCOUNTS PAYABLE

- Ensures requisitions submitted for purchase orders have proper backup and correct account codes.
- Checks all invoices against original order, investigates differences.
- Routinely reviews outstanding orders and investigates delivery of items on orders more than ninety days old.
- Compiles voucher package for payment verifying that receiving copy is signed by authorized employee, invoice or documentation supporting reimbursement is accurate, and if applicable that voucher is signed.
- Obtains signatures of School Business Administrator and Superintendent authorizing payment.
- Enters payments into the accounting system for payment; generates checks and claims list for review by Board of Education Finance Committee Member(s). Submits bills and claims list to the Board for approval on a monthly basis.
- Subsequent to Board approval of claims list, acquires signatures of Board President, Board Treasurer and Business Administrator or other Board authorized representative as per Board policy and mails checks to vendors.
- Issues manual (hand-drawn) checks only for special or emergency situations as per direction of School Business Administrator.
- All tasks performed by support personnel will be reviewed and approved by the School Business Administrator.

PAYROLL & BENEFITS

- Encumber all funds for contracted employees, who have board approval
- Prepares contracts for Board approved staff, logging employee against position control roster.
- Verifies social security number of all new employees; reviews documentation provided (passport, drivers license, etc.) as per State mandates.
- Accepts and processes applications for pension and benefits inclusive on of on-line entry into State system.
- Creates paper employee payroll file and electronic file in payroll software.
- Determines annual totals by GAAP account, modifying monthly if needed; compares to budget and advises business administrator of any projected over expenditure.
- Generate the future year's payroll purchase order, encumbering the full amount budgeted to each account line. The Business Administrator modifies the purchase order as necessary throughout the year.
- Verifies that all timesheets/vouchers are properly completed, amounts are accurate, and include authorizing signatures.
- Inputs all information, as needed semi-monthly to process payroll.
- Prepares monthly register for Superintendent, Business Administrator/Board Secretary and Board President's signature.
- Checks computer output for accuracy, control and disbursement of payroll checks and direct deposits.
- Makes electronic transfer of funds to net payroll and agency accounts.
- Maintains records covering all payroll deductions and payroll information.
- Prepares all forms related to payroll; provides AR/AP Secretary with documentation to make electronic payments or issue checks for payroll taxes (Social Security/ Medicaid), transmittal of voluntary deductions, payment of premiums for benefits, payment of pension/contributory insurance).
- Controls and maintains all payroll and payroll agency accounts; provides copies to The Business Administrator/Board Secretary of the completed bank reconciliation.

Note: All tasks are generally performed by the Payroll/Benefits Specialist. Work is reviewed by BA monthly.

FIXED ASSETS

- Identify all equipment costs for fixed asset control if cost is over \$2,000.
- If using grant funds, all equipment purchases must be tagged and identified by grant program.
- Identify assets that are no longer used.
- For disposal of assets, utilize procedures in State law and regulation.
- Remove item from fixed asset inventory records.
- All sheets will be maintained for year-end update of the fixed asset inventory, and balance sheet adjustments for the annual audit.

CASH MANAGEMENT

Cash receipts – open mail, prepare deposit slip, ACH transfers, and record receipt in accounting system

Cash disbursements-identify vouchers to be paid, checks should be stored in locked storage until used if processed in district and if using pre-printed stock proper numbering sequence, appropriate signatures are affixed, review of all payments to check amounts for agreement, mail checks, properly record wires and payments

Treasury-confirm verification of signators on all accounts; verification of person(s) authorized to do wires and ACH; confirmation process for all wires; utilization of on-line

Banking – verify authorized users; identify person(s) for authorizing stop payments

Investing-cash balances should be reviewed periodically to identify investment opportunities; investment vehicles must be in accordance with state statutes

Reconciling-all accounts must be reconciled in a timely manner.

District personnel must not share or divulge secure passwords.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: USE OF SCHOOL FACILITIES

Purpose: *Buildings and facilities are constructed and purchased by the Board of Education for providing a school program. The Board encourages community use of these facilities providing that this use does not interfere with the program of the school.*

Procedure:

The Board of Education authorizes the Business Administrator to approve and schedule the use of school facilities by school related and non-school organizations. The Board reserves to itself this authority to approve the use of school facilities by non-school organizations. **It is the position of the Board to approve only community groups whose organization's function will benefit the pupils of the school/ community or the school district.**

The rules and regulations thus adopted are designed to safeguard a community investment while at the same time to permit use of the school facilities by the community.

The Board of Education shall hold each organization financially responsible for damage to facilities while in its care and retain the right to refuse further permission to any organization not complying with all rules and regulations.

The Business Administrator shall request the organization using the facility to supply proof of insurance coverage. Minimum acceptable coverage is one million dollars combined single limit (insurance limits). The insurance certificate must name the Closter Board of Education as co-insured. The insurance certificate must be submitted with the application for use of school property. Except for costs incurred by the district to provide personnel or special services, charges for the use of school facilities shall be waived for those organizations only that have been listed or approved by the Board.

SPECIAL REGULATIONS FOR USE OF AUDITORIUM

- Youth groups must be sponsored by a responsible adult group with the names of sponsors given in the application. These sponsors must be present at the activity.
- The Public Address system, lighting panel board, movie screen, etc, must be operated by a school authorized person.
- No food or drink is to be sold or consumed in the auditorium.
- Visual Aids equipment furnished by the user must be approved by a school coordinator for proper use through our sound system.
- No smoking is permitted in the auditorium or anywhere in the school.
- Adequate outside security must be provided by the using organization (local police).

SPECIAL REGULATIONS FOR USE OF GYMNASIUM

- Groups giving dances must conform to all rules and regulations for use of the gymnasium.
- Arrangements must be made with the Borough Police for an officer to be on duty one-half hour before and one-half hour after the dance.
- The clean-up committee of the group must make arrangements with the school coordinator for removing debris and work required to restore the gymnasium to its original condition.
- Youth groups sponsored by adults must submit a list of chaperons with application. One adult required for each twenty people.
- No smoking is permitted anywhere on school grounds.
- Control of the group is the responsibility of the adult sponsors.
- Adult groups using the cafeteria or kitchen will adhere to all rules and regulations of the Board of Education.
- Black soled sneakers are not permitted on the gym floor. Sneakers with white soles must be worn at all times, by participants, referees and coaches.
- A responsible adult together with a custodian must check all facilities used after participants have left. Damage should be noted, all water and lights turned off.

- Groups using the gym must meet outside the door with the responsible adult at a designated time. The entire group will be admitted at one time by the custodian on duty.
- Use of the gymnasium does not permit use of hallways for any reason.
- All rules and regulations apply whether admission is charged or not. Use of the gymnasium bears responsibility for supervision of the public lavatories, locker and shower room facilities and hallway traffic.
- Youth groups must be properly chaperoned with the names of chaperons appearing on the application. A minimum of one adult should be responsible for every fifteen youths.

See Form for a schedule of costs and the APPLICATION FOR USE OF SCHOOL PROPERTY.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: INVENTORY

Subtitle: Disposal of Obsolete Items/Equipment

Procedure: Requests to dispose of outdated books and obsolete equipment must be made to the School Business Administrator. Such books must be at least five years old and equipment must be at least ten years old, with the exception of computers, and have been determined as obsolete by the professional administrative staff.

Following Board approval to declare items as surplus, the items may only be sold in compliance with State law and regulation.

If the estimated fair value or the property to be sold exceeds the amount determined by the Governor in any one sale and it is neither livestock nor perishable goods, it will be sold at public sale to the highest bidder. If the value is less than the amount, public sale is not required, but may be desirable.

All proceeds from the disposition of equipment or supplies will be deposited in the general fund of the Borough Board of Education.

Legal Reference N.J.S.A. 18A:18A-4S

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: ACCEPTANCE OF GIFTS

Procedure: Acceptance of gifts or scholarships by the District from any individual or group requires the approval of the Superintendent of Schools subject to the following:

- No gift or scholarship will be accepted which in the opinion of the Superintendent is inappropriate for use by the schools.
- The use and disposition of such gifts or scholarships will remain at the discretion of the Superintendent.
- Gifts which require installation and/or maintenance costs will be accepted only upon approval by the Superintendent and the school Principal.

All gifts \$500 and above require final approval by the Board of Education

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: INVENTORY/EQUIPMENT

Subtitle: Equipment Identification and Accountability

Procedure:

NEWLY PURCHASED ITEMS

- When equipment items costing \$2,000.00 per item or more are received, Business Office staff will track the order. All information can be obtained from the Receiving Slip and/or the Purchase Order.
- The inventory must describe the item completely. For example, “one tan, four drawer, legal size locking file cabinet” or “one gray secretarial chair, upholstered back and seat.”
- The Business Administrator notifies the auditor or the Fixed Asset Company of any additions and deletions along with asset numbers. An inventory tag is attached to the equipment.
- An Inventory will be maintained and continually updated by the Business Office.

TRANSFERS AND DISPOSAL OF EQUIPMENT

- When equipment is moved on a permanent basis, the school/department initiating the movement must notify the Business Office. It is the responsibility of the principal/ supervisor to ensure the equipment is at the proper location.
- When requesting disposal of equipment, send a request to the Business Administrator with all appropriate information.
- The Business Office will use this copy to update the Inventory.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: SALES TAX EXEMPTION QUALIFICATIONS

Procedure:

Only expenditures from the approved Board of Education operating budget are eligible for sales tax exemption.

Exemption letters are available through the Business Office and will be provided upon request to accompany an approved purchase order.

Sales tax will not be reimbursed for items purchased through petty cash, student activities account or a Purchase Order reimbursement.

Legal Reference: Sales Tax Exemption Letter

Form: Sales Tax Exemption Letter

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: PETTY CASH FUND

Purpose: *To establish a uniform method of account for the Petty Cash Funds*

Procedure:

1. The Board of Education recognizes the convenience of an imprest cash fund in the day to day operation of a school district, but the Board is also aware of the abuses that can result from the establishment of such funds unless there are proper controls.
2. The Board authorizes the establishment of the following petty cash funds at these locations in the following amounts:

Hillside Elementary School	\$500
Tenakill Middle School	\$500
3. In accordance with District Practice, no single payment from petty cash will exceed \$25.00, The Business Administrator shall insure that petty cash funds are spent only for stamps, delivery charges, minimal office supplies and miscellaneous purchases. Funds shall not be used to subvert the regular purchasing procedure.
4. To request a purchase using petty cash, prior approval by the Building Principal/Director/Supervisor is required before any such purchase may occur. A **Petty Cash Request/Reimbursement Form** is to be prepared and all applicable invoices or receipts are to be attached along with the information of the account to be charged. All documentation must be forwarded to the Business Office for processing of the replenishment. All reimbursements will be by check only.
5. All funds are to be closed out on June 30. To accomplish this, final reimbursement will be into the Business Office for payment at the final Board Meeting in June. This will allow for turning in the local amount of the authorized fund in cash to the School Business Administrator for deposit back into the General Account of the Board. All Board approved funds will be reestablished on July 1.

Form: Petty Cash Request Form

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: STUDENT ACTIVITY FUNDS

Purpose: *To establish financial controls for the administration of the various student activities operated for the benefit of the students, managed by adults, not part of the regular instructional program with the Board indirectly responsible:*

The general organization of the fund to include student council, student clubs, student publications, school classes and class trips.

The Board authorizes the maintenance of student activity fund to be located at and known as the Tenakill Student Activity Fund and Hillside Student Activity Fund.

All funds must be self- sustaining, the responsibility of a designated person and administered by the Building Principal.

Procedure:

1. Receipt of Funds:

- All funds will be collected by the Building Principal or his/her designee. These funds will be deposited within 24-48 hours of collection, money to be stored in school safe overnight or the first workday after a weekend and must be deposited on the day they are received.
- All funds should be of an exchange nature and large balances should not be permitted to accumulate. Money should not be raised or collected unless there is a definite purpose for doing so.
- All deposited funds will be recorded in a computer based accounting including the date of receipt, source of receipt, amount of receipt and the total amount of the deposit and will be maintained by the Building Principal and Board Office Secretary
- A duplicate receipt will be utilized whenever cash is collected and turned over to the secretary in the principal's office.
- Cash is an acceptable form of receipt of funds, however is discouraged due to the lack of an audit paper trail and the risk of theft.
- Monies collected during a fundraising event where cash is the primary form of receipt (i.e. bake sale, car wash, etc.) should be accompanied by a detailed summary of the deposit. The use of roll tickets is recommended were applicable at these events.

2. Disbursement of Funds:

- These funds are designed for various student group activities intended to benefit the students. It cannot be used to supplement goods or services that are provided by the schools budget.
- All funds will be disbursed from the established checking account on the authority of the Building Principal. All disbursements must be supported by a receipt, claim, company invoice or other adequate supporting documentation and will be attached to a Purchase Order or voucher. For purchases in excess of the voucher limit established by the Department of Education, a signed vendor's declaration will be obtained.
- All checks written will be created through the accounting application with exception only for emergencies. All payments will be recorded in the computer based accounting application and will include the date of check, payee, amount of check and activity or class to which it is to be charged.
- Checks will require two signatures: that of the Business Administrator and Principal.
- Monthly bank reconciliation will be prepared and this balance reconciled to the individual activity or class balance.
- A copy of the monthly cash balance will be forwarded to the 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 student activity fund.

References:

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

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: MILK ACCOUNT

Procedure:

Establishment of Fund

1. The Board authorizes the maintenance of milk account funds to be located at the financial institution used by the Board of Education and known as the Milk Account.
2. The general organization of the fund is to include funds collected from participating students and federal milk subsidies
3. All funds must be self-sustaining, the responsibility of a designated person, and administered by the Business Administrator through the Business Office.

Receipt of Funds

1. All funds will be collected by the Secretary to the BA and deposited within 24 hours into the established bank checking account.
2. Funds waiting to be deposited should be kept in a secure location at all times.
3. All funds should be of an exchange nature and large balance should not be permitted to accumulate.
4. All deposited funds will be recorded in a receipts book or a computer based accounting application and will include the date of receipt, source of receipt, amount of receipt and the total amount of the deposit.

Disbursement of Funds

1. Funds are dedicated to activities directly related to procure, serve, and maintain milk and related products served to students and staff in the milk program.
2. All funds will be disbursed from the established checking account on the authority of the School Business Administrator. All disbursements must be supported by a receipt, claim, company invoice or other adequate supporting documentation.
3. All checks written will be created and payments will be recorded in the computer based accounting application and will include the date of check, payee, amount of check and activity or class to which it is to be charged.
4. Checks will require two signatures as authorized by Board resolution.
5. A monthly bank reconciliation will be prepared.
6. On a yearly basis, all financial information shall be reviewed by the District's Auditor. Materials include, but are not limited to, monthly bank statements, reconciliations, and cancelled checks, check register, receipt register, and all PO's or vouchers issued for the previous year with adequate supporting documentation.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: PAY PROCEDURES

Procedure:

Regular Pay

- Employees will be paid on the 15th and the 30th of each month as per contract. When either day is a school holiday, then the date of pay shall be the last working day before the holiday.
- All ten month employees will receive equal payments that total their contract salary, from September to June inclusive.
- All twelve month employees will receive their contract salary, in equal payments, from July thru June inclusive.
- In a three year cycle, employees will be required to provide to the Business office or a designated administrator, a picture identification and sign for release of his or her check or direct deposit voucher. Picture identification shall be in the form of a valid drivers' license, official passport or other picture identification issued by a state, county or other local government agency.
- Where no appropriate identification can be produced, the School Business Administrator shall withhold paychecks or stop direct deposits until such time that the payee/district employee can produce appropriate identification or until an investigation and corrective action is concluded.
- Upon completion of the payroll check distribution verification procedures, the Superintendent shall submit a certification of compliance, to the Executive County Superintendent.
- The Board of Education will require all contracted employees to have their paychecks directly deposited into a bank account at a financial institution chosen by the employee. Direct deposit continues from year to year unless an employee terminates employment or submits written notification of their desire to cancel their direct deposit.
- The last paycheck of the school year may be a physical check that may be withheld if obligations have not been met by employee before school year ends.
- It is the employee's responsibility to notify the payroll department when a bank account designated for direct deposit is closed or is planned to be closed. The payroll department needs at least thirty days to effectuate the change. Without proper notice, the payroll check will be rejected by the bank. Funds will not be able to be replaced until the "bounced check" is returned to the district. This process can take up to two weeks and will delay the employee's receipt of their payroll check.

- Payroll vouchers are collected and processed up once a month. Completed vouchers must be received by the Payroll Specialist on the date specified on the list published by the Business Office for each pay period. Any vouchers not completed in full will be returned to the employee for correction and payment will be delayed.
- Any hours added to the work schedule must be approved by the Business Administrator prior to the commencement of the additional work time.

Extra Service Contracts/Schedule F

- All Schedule F contracts will be paid on June 15th.

Substitutes and Hourly Paid Employees

- All daily and hourly paid individuals will receive pay for the time worked based on the annual schedule developed by the business office.
- An **Employee Timesheet** is used to report hours and/or days worked for this classification of employees.

Overtime

- All overtime must be pre-approved by the supervisor after consultation with the Business Administrator.
- All vouchers must be signed by the employee and the school principal and/or the individual who has authorized the extra hours.
- Overtime is also reported on the vouchers and is paid on the 15th of the following month. Payment of overtime will be based on negotiated contract provisions.

403(b) Salary Reduction Plan

In order to take advantage of the 403(b) Salary Reduction Plan, an employee must agree not to contribute, more than the **Maximum Exclusion Allowance (MEA)**, the total amount of contribution to the plan allowed by Internal Revenue Service code each year. The Payroll Specialist must receive from the employee a 403(b) Salary Reduction Agreement Form for the Salary Reduction Plan for the new school year will begin. In order to make changes the employee must fill out 403(b) Change Form – All done through a Third Party Administrator.

All other changes to be made for tax or voluntary deductions must be forwarded to the Payroll Department “In Writing” two weeks prior to the pay period that these changes are to take effect.

Reference

6A:23A-5.7 Verification of payroll check distribution

III-4.2

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: BUDGET ACCOUNT NUMBER CODING

Procedure:

The School Business Administrator in cooperation with building administrators and supervisors will train individuals responsible for creating purchase orders in using the chart of accounts.

When completing purchase orders for materials, supplies, equipment and /or services, it is important to use the correct budget account number as outlined by the New Jersey Chart of Accounts. To assist administrators, supervisors and staff members who complete purchase orders an example of how accounts are displayed has been developed as follows:

11 – 190 – 100 – 610 – 060 – 00 – 3

11 - Fund 190- Program 100-Function 610-Object 060- School 00-3- Department

Fund - an accounting entity with a self-balancing set of accounts.

- 11 General Fund (instruction);
- 12 Capital Outlay Fund (assets over \$2,000)/acquiring fixed assets;
- 20 Special Revenue
- 60 Debt Service

Program - activities and procedures to accomplish an objective.

- 105 – Pre-K, 110- K, 120- 1-5; 130- 6-8; 150-Home Instruction; 190-Undistributed
- 2XX- Special Programs (Special Education); 000- *Undistributed Expenditures*- charged indirectly to a program

Function describes the activity for which a service/material is acquired.

- 100- *Instruction*- activities dealing directly with instruction
 - 200- *Support Services*- provide administrative, technical support to enhance instruction.
- Examples: 211-Attendance/Social Services 213- Health Services 240 - Support-Sch. Admin.

Object the service obtained as a result of a specific expenditure.

- 320 *Purchased Professional Services*- Consultants, Assembly speakers
- 420 *Cleaning, repair and Maintenance Services*- Equipment and repair contracts
- 500 *Repair and maintenance of Instructional Equipment*
- 580 *Travel-Staff Conferences*-staff mileage
- 590 *Miscellaneous Purchased Services*-Printing costs-student publications, booklets,

610 General Supplies-A.V. supplies, furniture under \$2,000, workbooks, classroom/off. supplies

640 Textbooks

730 Equipment - Capital Outlay Fund - each unit must exceed \$2,000 & last more than a year.

800 Miscellaneous Expenditures- Awards, graduation expenses, registration-conferences

School School Building

050 Hillside

060 Tenakill

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: GRANTS REIMBURSEMENT

Procedure:

A ledger analysis/expense report will be generated once a month to review expenditures.

Reimbursements will be requested through EWEG within 30 days.

School Business Administrator is responsible to submitting requests for reimbursements and complete any final expenditure reports.

CLOSTER PUBLIC SCHOOLS CLOSTER, NEW JERSEY

Title: BUDGET DEVELOPMENT PROCESS

Procedure:

Annually, a budget calendar will be developed by the Superintendent of Schools and School Business Administrator for Board approval. Budget parameters will be established by the Board and discussed with the principals and supervisors.

Using historical data, known curriculum needs, district initiatives, and demographic information, principals and supervisors will annually propose amounts for each line item account in their area of responsibility. School budgets are the responsibility of the Building Principals / Supervisors. It is also the responsibility of the Building Principals / Supervisors to justify proposed expenditures in each of the line item accounts. Building Principals / Supervisors track their school accounts during the year making necessary transfer needed to ensure no accounts are over extended. If during the budget development process there is a need to reduce the school budget, the principal/supervisor will be notified of the reduced amount by the Superintendent of School and/or the Business Administrator. Below is a sample breakdown of the budget process:

- November - Budget materials provided to Building Principals, Supervisors, Directors
- Mid-January – Complied budget materials due to the Business Office.
- Early February – Superintendent and Business Administrator meet with Principals, Supervisors and Directors to review budgets.
- February – Superintendent and Business Administrator meet with Finance Committee of the Board of Education
- Mid February / Early March – Governor’s Budget Address: State aid figures released.
- March – Preliminary Budget due to County Office for approval
- April / May – Public Hearing on Budget

The annual budget includes overtime. The Business Administrator reviews overtime trends throughout the school year to determine if any transfers for overtime are necessary. Individual’s overtime must be pre-approved. The individual will complete a payroll voucher for overtime and use the time clock when applicable. The overtime must be approved by the individual employee’s supervisor and the Superintendent before overtime can be paid.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: BUDGET TRANSFERS

Procedure:

Individual budget line item transfer requests are to be submitted to the School Business Administrator by the Building Principals and Director of Special Services. Requests must be submitted by e-mail or and signed hard copy using the **Budget Transfer Request** form. When requesting a transfer from one account to another, the "from" account must have enough money to cover the transfer, if not, then the transfer cannot be completed. Make sure the correct account numbers that need to be affected are used and fill in the description of the account. The reason for the transfer must be noted.

The Business Administrator will be responsible to maintain a record of cumulative transfers and report any transfers in excess of 10% to County Office. The report will be submitted to the County Office twice a year (December and June), or as needed to support transfers greater than 10%.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: GRANT APPLICATION PROCEDURE

Procedure:

Grants provide opportunities for programs and materials outside of the school budget and will be pursued when feasible. The Board of Education, staff, and community members will be encouraged to advise the Superintendent of grant opportunities.

The Superintendent will assign responsibility for completing grant applications on a grant by grant basis.

All grant applications must be submitted for approval prior to submission to the Granting Authority to be the Superintendent and may require action from the Board of Education.

All other procedures as described in this handbook will apply to transactions involving grant funds.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: APPLICATION FOR STATE SCHOOL AID

Procedure:

The information for the Application for State School Aid (ASSA) is generated through and completed by the School Business Administrator.

The Director of Special Services or designee will provide a list of classified students including date of birth, classification, and other information as may be required by the report, and also a list of students receiving related services such as speech only, if necessary to the report.

The Supervisor of Curriculum & Instruction or designee will provide a list of students eligible for ESL or LEP services.

The Superintendent's Office will provide a list of students currently on home instruction.

Secretary to the BA will provide information on all received students and the number of students eligible for free or reduced milk (Low income).

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

POSITION CONTROL

Position control is a process to measure the current status of positions for personnel services within the district in order to analyze their fiscal impact on the whole budget year. The impact of a position is determined by actual expenditures from the beginning of a fiscal year plus amounts set aside to cover appointments to the position for the remainder of the fiscal year.

The concept of position control implies that each position must be defined in specific terms and that the hiring procedure may not be completed until a specifically defined position exists for the applicant. Budget Status is determined by combining elements from the Position File, the Payroll Distribution File, and the Employee Data Base.

The base line year to use for position control is the snapshot date of February 1 of the prebudget year. Grouping should be established by budgetary function and object at a minimum.

The procedures as outlined in NJAC 6A:23-6.8 will be undertaken under the supervision of the School Business Administrator to develop a position control roster and maintain it in an accurate, complete and up-to-date fashion.

The School Business Administrator will routinely review reports to verify the accuracy of the documents and file for audit review.

A. Purpose

The purpose of this Standard Operating Procedure is to describe forms and procedures needed to assign position control numbers and create or abolish positions.

B. Scope

These procedures cover all positions and all employees of the district.

C. Authority

The assignment of PCN's should be initiated by the CSA. Human Resources in conjunction with the SBA should maintain a list available to the CSA when hiring or transferring employees for the district.

D. Position

A position is a set of duties and responsibilities specified in a specific job description assigned to be performed by an employee of the district. A position may be full-time, part-time, stipend, permanent/non-permanent, seasonal (summer school, after school, athletics, etc.) and either filled or vacant. A permanent position does not exist until it has been authorized and established by the Board of Education, Human Resource and the Office of Business Administration.

E. Position Control Number – Creating and Maintaining

Position Control data is maintained in the Business Office. It is recommended that monthly or semi-monthly before the payroll is processed a report or review be done of all employees being paid. This report or review should indicate at a minimum the individual's PCN and linked budgetary account(s) to be charged. Individuals not assigned a PCN must be assigned one and any vacant PCN should be noted for future reference.

F. Position Control Number (PCN)

A position control number (PCN) is created to represent each board approved contracted *position* within a district. These control numbers are attached to the budget spread, telling the system which account(s) the position is to be paid from. As the positions are filled, the corresponding control number is linked to the employee who is currently filling the position. Control numbers that are not linked to any employees represent vacant positions. An example: if your district has five board approved positions for high school math teachers, you would establish five PCNs to represent the five separate positions.

PCNs are independent of employee records. Each PCN represents a separate *position* within the district, *not* the employee who fills it at any particular time. Thus, if an employee leaves a position and the position remains open, the PCN remains active in the system representing a vacant position to be filled. Once an employee is hired for that position, the vacant PCN is then assigned to that person.

Vacant PCNs can provide an area where a projected estimated salary amount may be entered, providing the district with the ability to budget for positions that are expected to be filled. An assigned PCN will forward a calculated salary into the budget projection. As PCNs represent *positions* within the district, they are only added or deleted when a job position itself is either created or phased out.

G. Request for PCN for a New Position

Requests for the use of PCNs for new positions or to reactivate an abolished position shall include detailed justification and a cost benefit analysis. The Superintendent will determine if the new position is justified and that adequate funds are or have been budgeted. Based on this determination, the Superintendent will decide if a recommendation to the Board of Education will be made. The proposed PCN will be included in the recommendation to the Board.

H. Other

Each PCN shall be integrated with the payroll system to ensure that the correct budgetary account is charged. The PCN system should be able to track through payroll and the personnel system the position by account number, individual, PCN and the history of the use of the PCN.

Position Control Format – Closter Public Schools

Position Code	District Location	Function Code	Total # of Positions Available
4 digits	3 char	3 digits	5 digits
1220	HES	005	00001
1320	HES	040	00002
3000	HES	002	00003
3002	TMS	002	00004
3016	TMS	002	00005

District Position Codes

Category Description	Code
Superintendent	1220
Business Administrator	1310
Board Office	1320
Network Engineer	1330
Middle School Principal	1505
Elementary School Princip	1507
AP Elementary School	1508
AP Middle School	1510
Network Engineer	1701
Supervisor of C & I	1705
Director of Spec. Services	1706
Director of Build. & Gr.	1730
Pre-K Teacher	2999
Kindergarten Teacher	3000
Grade 1 – 5 Teacher	3001
Grade 6 – 8 Teacher	3002
Art, Music, Phys Ed, ESL	3004-3010
Paraprofessionals	4004
Custodian/Main	4203 / 4206

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: PROFESSIONAL SERVICES

Subtitle: Legal Services

Procedure:

1. In order to comply with State regulations, the Board will authorize the designated persons (e.g., Superintendent of Schools, the Business Administrator and/or the Director of Special Services) to contact legal counsel. The designated persons shall ensure that legal counsel is not contacted unnecessarily for management decisions or readily available information contained in district materials such as Board policies, administrative regulations, or guidance available through professional source materials.
2. If legal advice is requested by any District employee other than the designated persons listed, a request for legal advice shall be made in writing and shall be maintained on file in the administrative office. The designated person(s) will determine whether the request warrants contracting the District Counsel.
3. Payments for legal services will comply with payment requirements and restrictions pursuant to N.J.S.A.18A-19-1 et seq. as follows:
 - A. Advance payments are prohibited
 - B. Services to be provided shall be described in detail in the contract
 - C. Invoices for payment shall itemize the services provided for the billing period
 - D. Payment shall only be for services actually provided

The Board of Education will annually establish, prior to the budget preparation, a maximum dollar limit for each type of professional service, including legal services. In the event it becomes necessary to exceed the established maximum dollar limit for the professional service, the Superintendent shall recommend to the Board of Education an increase in the maximum dollar amount. Any increase shall require formal Board action.

4. Contracts for legal services will be issued by the Board in a deliberative and efficient manner such as through a request for proposals based on cost and other specified factors or another comparable process that ensures the district receives the highest quality services at a fair and competitive price or through a shared service arrangement. Contracts for legal services shall be limited to non-recurring or specialized work for which the district does not possess adequate in-house resources or in-house expertise to conduct.

References
N.J.A.C. 6A:23-5.

SECTION VI – PURCHASING

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: PROFESSIONAL SERVICES

Subtitle: Authorized Services

Procedure:

Contracts for professional services will be issued by the Board in a deliberative and efficient manner such as through a request for proposals based on cost and other specified factors or another comparable process that ensures the district receives the highest quality services at a fair and competitive price or through a shared service arrangement. Contracts for professional services shall be limited to non-recurring or specialized work for which the district does not possess adequate in-house resources or in-house expertise to conduct.

Nothing in this manual or N.J.A.C. 6A:23A-5.2 shall preclude the Board from complying with the requirements of any statute, administrative code, or regulation for the award of professional service contracts.

References

N.J.A.C. 6A:23A-5.2

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: EXPENDITURE CONTROL

Subtitle: Maintenance Service Contract and Other Repairs

Procedure:

1. Service contracts for continued maintenance and repair of office machines/copiers may be available for district wide equipment.
2. The Business Office or Supervisor of Buildings and Grounds will provide each school office/department with the names(s) and phone numbers(s) of the selected vendors.
3. When the repair is made, the appropriate Supervisor is responsible for preparing the required purchase order immediately following the provision of services.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: EXPENDITURE CONTROL

Subtitle: Maintenance and Technology Work Order System

Procedure:

In order to ensure that building maintenance and technology projects are done in a timely fashion, work orders may be generated by the teachers or other school personnel but must be forwarded and approved by the building Principal. Technology work orders go straight to the Network Engineer. No maintenance or computer projects will be started without a work order request – via email. The work orders will be processed in the order they are received. The Supervisor of Buildings and Grounds and Network Engineer will prioritize the work orders according to the date needed and the urgency of the work that needs to be done. The Supervisor of Buildings and Grounds and Network Engineer will send a notice upon completion of the project.

CLOSTER PUBLIC SCHOOLS CLOSTER, NEW JERSEY

Title: FACILITIES (includes administration of work and health and safety)

Purpose: *The Board of Education recognizes that adequate facilities must be provided to all students and that it must maintain all buildings so that students have a safe and healthy environment in which to learn.*

Procedure:

Building Coordinator

- While any staff member could contact the Buildings and Grounds Office, the building principal or his designee has the responsibility to be the contact person for the facility to handle communication and administrative details. The Building Principal generally approves and forwards requests for long term and elective maintenance.
- During the periods of school vacations, the building administrator will assume the responsibility to forward the work requests to the Building and Grounds Department.

Planning for Alterations and Remodeling

- The first step that a school must take before deciding on all major or minor elective alterations or change in use of space is to communicate in writing to the Business Administrator. He will review and submit all requests for remodeling to the Superintendent of Schools.
- After the Superintendent approves the request for minor projects, it will be sent to the Buildings and Grounds Department to obtain a project cost estimate for the proposed work. For major construction project, a source of funding must be identified before the project will move to the design and construction phases. Once the project is funded, the manager of capital projects will be instructed to prepare the proper documentation to submit to the County Superintendent or the Department of Education for approval. Application for building permits, bid specifications, plans and drawings must be produced to assist the requestor through the design and construction phases. Keep all concerned informed of scheduling and major events.

Maintenance and Repair of Equipment

- The Buildings and Grounds Department holds contracts with several service companies who provide maintenance and repair services such as elevators, fire alarms, burglar alarms, clock repairs, public address systems, gym door repairs and roof repairs.

SECTION VII – FACILITIES (INCLUDES ADMINISTRATION OF
WORK, HEALTH & SAFETY)

- The Buildings and Grounds Department is prepared to carry out some renovations, alterations and improvements and support buildings in order to offer a safe environment. These operations must be scheduled in advance.

Noise Control

- The Buildings and Grounds Department attempts to schedule work with high noise potential at times least likely to be disruptive. However, it is not always possible to delay emergency repairs.

Pest Control

- The Buildings and Grounds Department provides exterminator services to rid the building of rodents, insects and other pests in accordance with the district's Integrated Pest Management Plan.

Recycling

- Materials such as newspaper, glass containers, aluminum cans, office paper and corrugated cardboard are recycled. Recyclable materials are to be left in containers properly labeled and located in areas throughout the buildings.

Refuse Collection Services

- Trash collection is provided by contract and is under the supervision of the Buildings and Grounds Department. It is done on a regularly scheduled basis. Requests for special pickups must be directed to the Supervisor of Buildings and Grounds.

Chemical Hygiene and Disposal of Hazardous Wastes

- The district shall maintain its Chemical Hygiene plan and update it on an annual basis.
- Chemicals, oils, paints, radioactive materials or other hazardous waste should not be disposed of in trash or waste water collection systems.

Right To Know

- The district will maintain up to date Right to Know logs and ensure that all employees are provided training at the time of initial employment.
- Retraining will also be provided as required.

Safety/Accident Reporting

- All accidents are to be reported immediately to the School Nurse, Building Administrator and School Business Administrator on the appropriate district approved form. Following review by the School Business Administrator, the accident form may be forwarded to the district insurance carrier in accordance with the district's risk management procedures.

SECTION VII – FACILITIES (INCLUDES ADMINISTRATION OF
WORK, HEALTH & SAFETY)

Asbestos Management

- The district shall maintain its AHERA management plan and ensure that it is updated every three years.

Fire Alarm Systems

- The district shall ensure that annual inspections are performed on the fire alarm system. It shall also conduct monthly inspections of all fire extinguishers.

Boilers

- The district will ensure that all boilers are inspected annually.
- The district will ensure that a properly licensed boiler operator is on site whenever the boilers are running and buildings are occupied.

Safety Inspections

- The district will ensure that all health and safety inspections are done on a regular basis, in accordance with the NJ Department of Education evaluation of school buildings checklist

Long Range Facility Plan

- The district will ensure that it submits all required documents for its Long Range Facility Plan to the Department of Education on a timely basis. While the software is unavailable, the district will update a list through a spreadsheet outlining costs and specific projects.

Comprehensive Maintenance Plan

- The district shall annually approve its three-year comprehensive maintenance plan which shall include corrective and preventative measures for the interior and exterior of each building

OSHA/PEOSHA requirements

- The district shall comply with all OSHA and PEOSHA requirements including but not limited to lockout/tag out and confined spaces procedures

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: FACILITIES MAINTENANCE & REPAIR SCHEDULING AND ACCOUNTING

Purpose: *To have an automated work order system for prioritizing, performing and recording all maintenance repair requests for all district buildings and grounds.*

Whenever a school district employee wants to request a repair or an enhancement from the Buildings and Grounds Department, they should complete a maintenance request. The maintenance request should be generated by the person making the request.

Prioritization

The work order must first be approved by the building principal and the Supervisor of Buildings and Grounds before any work is performed. The work orders will be performed in the following priority order:

- A. Emergency – An emergency is a situation that poses an imminent threat to the health or safety of occupants of school property which requires the immediate delivery of goods or the performance of services. Normal purchasing procedures may be waived in the event of an emergency.
 1. An actual or imminent emergency must exist requiring the immediate delivery of the goods or the performance of the service.
 2. Within three days, the superintendent shall inform the County Superintendent of the nature of the emergency and the estimated needs to respond to it.
 3. The emergency purchasing procedures may not be used unless the need for the goods or the services could not have been reasonably foreseen.
 4. The contract shall only cover the necessary tasks to alleviate the emergency.

- B. Safety – A safety issue exists when the issue could lead to the injury of any occupant of the building. Examples would include broken locks, water leaks, etc.
- C. High – A work order should be categorized as high if the situation is in violation of laws or regulations or board of education policy. Examples would include broken heaters or air conditioners in violation of “Indoor Air Quality” rules or PEOSHA requirements.
- D. Medium – A work order should be categorized as medium for general repair work of an existing system that no longer works, such as a broken sink. The Medium category also includes items included in the annual Comprehensive Maintenance Plan and the district’s Strategic Plan.
- E. Low – A work order should be categorized as low for requests that are new items, such as a new shelf.

Within each priority category, work orders should be completed in chronological order. The Buildings & Grounds Supervisor may group work orders in order to complete them in an efficient manner. The superintendent may authorize the completion of a work order in a priority order other than above.

Cost Benefit Analysis

Whenever the estimated cost of completing the work order, including labor and materials, is greater than the quote threshold, a cost-benefit analysis of outsourcing the work order shall be performed.

If the results of the cost benefit analysis indicate that it would be less expensive to outsource the work, the work shall be outsourced provided the work can be contracted in accordance with the Public Schools Contracts Law and it can be completed on time.

Completion Procedures

Labor & Materials:

The technician shall record the following for each work order:

- A. The actual hours worked by date.
- B. Whether those hours were at regular or overtime rate.
- C. The actual materials and supplies needed to complete the order.

The technician shall record these items either directly into the work order software or on the paper work order form and forward that form to the Maintenance Secretary for recording in the work order software. The work order should be marked as completed after the transactions are entered.

Close Out Procedures

The Supervisor of Buildings and Grounds shall review all completed work orders to ensure that they are properly classified and costed out for the Comprehensive Maintenance Plan. The work order should be marked as closed.

Planning

Prior to December 1st of each year, the School Business Administrator should conduct an analysis of the work order system to plan for the following budget year. The analysis shall include:

- A. Productivity of staff as a whole and individually.
- B. Variations between estimated and actual labor and materials costs.
- C. Unusual trends for like projects.
- D. The projected life expectancy vs. the date a building system/piece of equipment was put into place.
- E. Other factors that will improve productivity and efficiency.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: SECURITY

Purpose: *The Board of Education believes that the buildings and facilities of the district represent a substantial community investment. The Board directs the implementation of procedures to protect this investment.*

Procedure:

Buildings and Grounds Security

- The Supervisor of Buildings and Grounds, Network Engineer and Administrative staff are responsible for buildings and grounds security.
- All exterior building doors shall be locked at all times. Doors will be unlocked for student admittance during bus arrival times only.
- Staff members shall not prop doors open for any reason.
- In the evening, all doors shall be locked except those where access is required for public meetings or facility use events.

ID Badges

- All employees shall wear district issued identification badges when school is in session.
- All visitors in the building shall wear identification badges issued by the main office.

Visitors/Deliveries

- All visitors during the school day will be permitted access to the building only through the main school office.
- Outside deliveries shall be accepted only at main school office.
- Deliveries to loading area shall be permitted only after driver has checked into the main school office and a building and grounds staff member has been assigned to oversee the delivery.

Building Keys

- Building principals are required to oversee the issuance of building keys to teaching staff members. Building keys are to be turned in to the building principal on teachers' last day of school in June.

Parking Areas

- Staff members shall park in areas designated for staff (or in assigned parking spots).

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: EMERGENCY PREPAREDNESS

Purpose: *To provide district staff with a reference document and to provide the administration with detailed information to use in the event of an unforeseen crisis.*

1. The administration shall create a detailed Emergency Management Plan (N.J.A.C. 6A:16-5.1 et seq.) which will provide additional detailed information available only to the Emergency Response Team. The Emergency Management Plan has sensitive information that should not be shared with the public. The Team shall keep the Plan in a locked cabinet in their office. It will also be distributed by electronic file that each member should keep at their home.
2. The administration shall create a quick reference guide for staff to follow in the event of a crises, including but not limited to:
 - a. Bomb Threats
 - b. Fire
 - c. Weapons
 - d. Explosions
 - e. Hazards/ Gas Leaks/ Unknown Spills
 - f. Weather emergencies
 - g. Earthquakes
 - h. Intruder/Fights
 - i. Lock Down/ Active Shooter
 - j. Sexual Battery
 - k. Kidnapping/ Missing Child
 - l. Evacuation other than fire
 - m. Threatened suicide
 - n. Power failure

The quick reference guide shall be distributed to each administrator and teaching staff member and the information shared with others who regularly work in the buildings including aides, secretaries, custodians, substitutes, and therapists.

3. The administration shall create and maintain a plan in the event of a pandemic. The plan shall include the following areas:
 - a. Planning and Coordination
 - b. Continuity of Learning and Core Operations
 - c. Infection Control Policies and Procedures
 - d. Communications Planning
4. The administration shall create and maintain a Biosecurity Management Plan to keep the food products safe. The Biosecurity Management Plan shall be kept confidential except for members of the crisis management team.
5. Training on the Emergency Management Plan shall be conducted annually

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: SAFETY

Purpose: *It is our goal to provide a safe and healthful environment for everyone that utilizes the district's facilities. This includes employees, students, and visitors to our district.*

Providing a safe environment goes beyond the obvious of properly maintaining buildings and grounds. A safe environment entails the attitude of the people occupying that environment. Therefore, we believe that safety is an attitude which must be cultivated and reinforced.

Procedure:

The Superintendent of Schools shall appoint a District Safety Coordinator with the responsibility of establishing and implementing a continuing effective safety program. The district goal is to eliminate lost time accidents. The program must involve all employees and students of the district. Employees should be involved through periodic safety meetings. Students should be involved through classroom instruction by the appropriate educators.

The Safety Coordinator shall organize a safety committee with at least the following employees involved to ensure all areas of the operation of the district are represented: Supervisor of Buildings and Grounds, Transportation Coordinator, School Business Administrator, a school nurse, principal and other staff deemed necessary.

The Safety Committee will meet periodically during the year. The Safety Coordinator will be responsible for working with the Safety Committee to define the safety program. However, these points must be covered:

1. Accident investigation and accident trend analysis.
2. Safety themes identified for use at meetings.
3. Remediation of hazards.
4. Modification to improper work methods.
5. Safety guidelines and specific rules for each area of each building in the district.
6. Proper PEOSH- 200 log maintenance.

Each employee and student will be responsible for obeying the safety rules established. Disregard of these rules will automatically cause a progressive disciplinary system to be enforced, which ultimately could lead to termination from the district.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: LOSS CONTROL

Subtitle: Injuries

Procedure:

WORK-RELATED STAFF INJURIES & ILLNESSES

Every employee is entitled to work under the safest possible conditions. In order to insure this, it is necessary that every accident/injury be reported.

All incidents/ accidents must be reported by the employee to their supervisor immediately if possible, but no later than twenty-four (24) hours after the incident occurs. In the case of injury an accident report must be filled out within twenty-four (24) hours. If there is an employee accident, the employee is to report it to the nurse/ supervisor and fill out the ACCIDENT/INJURY Form. If the employee needs medical treatment they will be directed by the school nurse to an approved medical provider.

If further specialized treatment is needed, it must be approved by the School Workers' Compensation physician who will refer the employee to a specialist for this treatment. Failure to go to the Board's doctor will result in a possible rejection of the claim. The school's workers' compensation doctor or the referred doctor will determine when the employee may return to work.

If the accident or injury is an emergency and occurs when the school nurse is not present, the employee may be treated at the nearest hospital and report the accident as soon as possible to his/her supervisor. The employee should instruct the hospital, doctor or pharmacy to forward all bills to Business Office (Workers' Compensation Claims). The employee should not use his/her personal insurance card as this will complicate, delay or prohibit payment of any medical bills.

After examination or treatment by the workers' compensation doctor, emergency doctor or referred doctor, the employee must report back to work with the Return to Work Form.

STUDENT INJURIES

Any student who is injured will report to the school nurse. The school nurse will determine if medical treatment is needed. She/he will follow established procedures for contacting parents, and if necessary call for assistance. The nurse will report to the building principal any injuries caused by an event that may require follow-up disciplinary action, or that are due to an unsafe building condition.

LITIGATION/LIABILITY

Any incidents having the slightest possibility of potential litigation/liability must be reported to the Business Administrator immediately.

INJURIES TO VISITORS ON THE PREMISES

For injuries to visitors in the building or on the premises, the same procedure should be followed as for injuries to pupils, except the office of the Business Administrator will be notified as to when and where the accident occurred. It is important that in the description of the accident it is clearly stated that the injuries are not a staff member or student. When an injury occurs call the **Business Office** for more information.

Accident Report Form – Employee
Accident Investigation Report
Accident Report Form - Student

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: LOSS CONTROL

Subtitle: Recording of Days Absent Due to Injury/Accident

Procedure:

Days absent from work due to illness, injury or accident will be recorded as sick days initially. When the District receives a determination from the Workers' Compensation Insurance Carrier or a Workers' Compensation Court, that these days are designated as Workers' Compensation Days, the employee's attendance record will be adjusted accordingly.

Legal Reference N.J.S.A. 18A:30-2.1

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: PERSONAL ITEMS

Procedure:

It is recommended that personal items not be brought to school or work. The district will not be responsible for any items lost or stolen. In bringing equipment or other items to school, the employee does so at his/her own risk.

The District is not responsible for damage to vehicles while parked on school property. When parking on school property the employee assumes the risk for any damage that may occur.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TRANSPORTATION

Purpose:

The Board of Education recognizes that transportation to and from school is required for the promotion of education. The Board has the responsibility to transport eligible students to and from their homes.

Procedure:

New Students

- School principal's office must notify the business office of registration of new students in writing
- The Business Office designee will determine eligibility for transportation. If eligible, a bus and stop will be assigned.
- The Business Office designee will communicate the bus stop information to the parent, school office, and the bus company.
- Transportation will only be provided from home to school and school to home. In the case of shared custody, transportation eligibility will be determined by the address of the custodial parent.

Alternate Stop Request

- The district does not provide alternate stop request

Students Leaving District

- School principal's office shall notify the transportation department when a student withdraws from the district in writing.

Field Trip/Athletic Buses

- Requests for buses for field trips and/or offsite learning experiences shall be overseen by the building principal. Board of Education approval of the field trip location is required prior to scheduling transportation.
- The Athletic Director will schedule buses for school athletic events.

Contracted Bus Services

- Bus services provided by outside contractors will be completed by school personnel, coordinated by the Business Administrator in accordance with NJ Public Contracts Law.

Non Public/ Aid-in-Lieu

- Transportation or aid in lieu of transportation shall be provided in accordance with N.J.S.A. 18A:39-1.
- The Transportation Supervisor of NVRHS shall supply Application for Non Public Transportation forms to non public schools located within the district.
- The Transportation Supervisor shall determine students' eligibility for transportation or aid in lieu of transportation, and shall notify parents and nonpublic school administrators of the determination for each application by August 1st.
- The Transportation Supervisor shall prepare the Nonpublic School Transportation Summary form and submit it to the nonpublic school administrators in January and May for certification of each.
- The Nonpublic Transportation Summary form shall also be forwarded to the Business Administrator in January and June for the issuance of aid in lieu of transportation reimbursement payments to parents.

DRTRS

- The annual District Report of Transported Resident Students will be completed by the Business Office and submitted within the State set timeframe.

Safety

- School principals in cooperation with the Business Office shall schedule and conduct bus evacuation drills at least twice during the school year for all students who are transported to and from school.
- The Business Office shall ensure that all school bus drivers and school bus aides are properly trained for the functions of their position.

- The Business Office shall ensure that anyone driving a school vehicle used to transport students to and from school and school related activities meet all of the requirements of N.J.S.A 18A:39-17,18,19,and 20 and all New Jersey Department of Transportation rules governing school bus drivers.
- The Business Office shall ensure that anyone driving a school vehicle hold a valid Commercial Driver's License with appropriate endorsement(s) for the class and type of vehicle operated.
- Random drug and alcohol testing of bus drivers shall be conducted in accordance with applicable regulations,
- Bus drivers are required to have complete medical examinations every two years in accordance with applicable regulations. Medical exam results must be mailed to the Bus Application Unit of the New Jersey Motor Vehicle Commission.

Bus Accidents

- In the event of a bus accident, the driver shall notify the bus company and request that they notify the police and the Business Office.
- The driver shall contact the bus company and/or agencies that can assist in promptly providing for the safety and welfare of the passengers.
- The driver shall NOT leave the students unattended under any circumstances.
- The Business Office secretary shall notify the Business Administrator, Building Principal and School Nurse of the accident.
- The Superintendent and / or School Business Administrator and/ or Principal shall proceed to the scene of the accident as soon as possible.
- The Contracted Bus Company designee shall proceed to the scene of the accident as soon as possible.
- The School Business Administrator or designee shall verify the accident with police, keep a written record of each accident, and send the report and accident documents as required by the State as required.
- The Superintendent shall be the only person to speak to the media.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: VEHICLE TRACKING, MAINTENANCE AND ACCOUNTING

Purpose: *For the management, control and regulatory supervision of school district vehicles.*

Procedure:

The Supervisor of Buildings and Grounds shall maintain a vehicle inventory control record including:

- a. The vehicle make, model and year;
- b. The vehicle identification numbers (VIN);
- c. The original purchase price;
- d. The date purchased;
- e. The license plate number;
- f. The person assigned or the pool if not individually assigned;
- g. The driver license number of the person assigned and the expiration date;
- h. The insurer and policy number of person assigned, and
- i. The usage category such as regular business, maintenance, security or pupil transportation.

A driving record of the operators of district vehicles including:

- a. The name of the driver;
- b. The driver license number and expiration date;
- c. The insurer policy number of person assigned;
- d. Motor vehicle code violations;
- e. Incidents of improper or non-business usage;
- f. Accidents, and
- g. Other relevant information.

A record of maintenance, repair and body work for each district vehicle including:

- a. The vehicle make, model and year;
- b. The vehicle identification number (VIN);
- c. The original purchase price;
- d. The date purchased;
- e. The license plate number;
- f. The usage category such as regular business, maintenance, security or pupil transportation;
- g. The manufacturer's routine maintenance schedule;
- h. The category of work performed;
- i. The mileage on the date work was performed, and
- j. The cost of the work performed.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: DISTRICT VEHICLE ASSIGNMENT

Purpose: *To ensure compliance for the assignment of district vehicles for the conduct of official district business.*

Procedure:

1. The Board shall adopt a policy or policies regarding district vehicle assignment that will ensure compliance.
2. The Board upon the recommendation of the Superintendent may authorize the lease, lease-purchase or purchase and assignment of district vehicles for the conduct of official district business. The vehicles may be assigned either to individuals or to units within the school district for pool use according to the following classifications:
 - a. Vehicles may be assigned permanently and individually to the Superintendent, School Business Administrator, head of facilities services, head of security services, or other supervisory employees who based on their job duties may be called on a 24 hour, seven-day a week basis. No individual assignment shall be made for the primary purpose of commuting.
 - b. A unit may be permanently assigned one or more district pool vehicles only if the employees of the unit will collectively use the vehicle or each vehicle for more then an average of 750 miles per month on official district business. Pool vehicles shall not be used for the purpose of commuting and shall remain at a district facility when not in official use.
3. Board members or employees may be temporarily assigned a district vehicle for travel events.
4. The school district Board shall ensure that an employee, such as the School Business Administrator, insurance or risk management staff member, head of facilities or other appropriate employee is assigned the functions of district vehicle coordinator.
5. All complaints of a potential misuse shall be investigated and appropriate disciplinary action taken.

6. All changes to vehicle assignment, whether pool or individual, shall require prior written approval of the Superintendent and the authorization of an affirmative majority vote of the full Board.
7. No luxury vehicle, one which exceeds the greater of \$30,000 or any current dollar limit established in Internal Revenue Service (IRS) law or regulation, shall be purchased, lease-purchased or leased by the District. If a vehicle is assigned to the Superintendent, it may be a full-size or intermediate, four-door sedan of the non-luxury class. All other vehicles shall be compact sedans, unless special passenger, cargo, equipment, or use requirements make the standard vehicle unsuitable for documented district needs.
8. The district vehicle shall be used primarily for business purposes; however, incidental and reasonable personal use is permitted.
9. All damage to district vehicles, regardless of cause, shall be reported within 24 hours to the vehicle coordinator and the employee assigned to file insurance claims.
10. No physical alterations shall be made to a vehicle without prior Board approval.
11. Drivers of district vehicles shall possess and maintain a valid driver's license to operate a vehicle in New Jersey.
12. When a vehicle is due for routine maintenance in accordance with the manufacturer's schedule, the driver of an individually assigned vehicle or, in the case of a pool vehicle, the vehicle coordinator shall be responsible for ensuring that the vehicle receives the scheduled service.
13. A driver assigned a district vehicle shall be responsible for the security of the vehicle and its contents.
14. Drivers shall be personally responsible for all fines accrued as a result of traffic violation related to operation of district vehicles.
15. The driver, or the driver's supervisor, if the driver is incapacitated, of a district vehicle involved in an accident resulting in damage to the district vehicle or other vehicle shall file, within 24 hours of the accident, a detailed written report with the vehicle coordinator and the district staff member responsible for making insurance claims.

16. Police shall be immediately notified of an accident by the driver or vehicle coordinator, if the driver is incapacitated. A copy of the police report shall be submitted to the vehicle coordinator and the district staff member responsible for making insurance claims as soon as possible.

17. If a district vehicle is misused in any of the following ways, the driver's driving privileges for district vehicles shall be suspended or revoked, and additional disciplinary action shall be taken as appropriate.
 - a. Frequent violation of traffic laws;
 - b. Flagrant violation of the traffic laws;
 - c. Operation of a vehicle which the police or insurance company determined was the cause of an accident;
 - d. Use of a vehicle for unauthorized use whether personal use, business use, or commuting;
 - e. Violation of these rules, or district policy governing the assignment, use, operation, repair, and/or maintenance of vehicles. This includes the failure to submit a vehicle for routine maintenance as called for in the manufacturer's routine maintenance schedule;
 - f. Operation of a vehicle while impaired to any degree, or under the influence of alcohol or narcotics as defined by State statutes;
 - g. Use of a district vehicle by an unauthorized individual while assigned to an employee;
 - h. Use of a district vehicle to transport any person or child, other than in the course of their assigned duties and responsibilities; or
 - i. Use of radar detectors in district vehicles.

18. The Board shall establish a policy for progressive, uniform, and mandatory disciplinary actions to be applied as necessary.

SECTION XI- TRANSPORTATION

19. Vehicle use logs shall be maintained for all individual and pool assignments in order to accurately record all usage of each vehicle, including the driver, mileage, and starting and destination points.
20. All complaints of a potential misuse shall be investigated and appropriate disciplinary action taken.
21. All changes to vehicle assignment, whether pool or individual, shall require prior written approval of the Superintendent and the authorization of an affirmative majority vote of the full Board.
22. No luxury vehicle, one which exceeds the greater of \$30,000 or any current dollar limit established in Internal Revenue Service law or regulation, shall be purchased, lease-purchased or leased by the District. If a vehicle is assigned to the Superintendent, it may be a full-size or intermediate, four-door sedan of the non-luxury class. All other vehicles shall be compact sedans, unless special passenger, cargo, equipment, or use requirements make the standard vehicle unsuitable for documented district needs.
23. The district vehicle shall be used primarily for business purposes; however, incidental and reasonable personal use is permitted.
24. All damage to district vehicles, regardless of cause, shall be reported within 24 hours to the vehicle coordinator and the employee assigned to file insurance claims.
25. No physical alterations shall be made to a vehicle without prior board approval.
26. Drivers of district vehicles shall possess and maintain a valid driver's license to operate a vehicle in New Jersey.
27. When a vehicle is due for routine maintenance in accordance with the manufacturer's schedule, the driver of an individually assigned vehicle or, in the case of a pool vehicle, the Supervisor of Buildings and Grounds shall be responsible for ensuring that the vehicle receives the scheduled service.

SECTION XI- TRANSPORTATION

28. A driver assigned a district vehicle shall be responsible for the security of the vehicle and its contents.
29. Drivers shall be personally responsible for all fines accrued as a result of traffic violation related to operation of district vehicles.
30. The driver, or the driver's supervisor, if the driver is incapacitated, of a district vehicle involved in an accident resulting in damage to the district vehicle or other vehicle shall file, within 24 hours of the accident, a detailed written report with the vehicle coordinator and the district staff member responsible for making insurance claims.
31. Police shall be immediately notified of an accident by the driver or Assistant Supervisor of Buildings and Grounds if the driver is incapacitated. A copy of the police report shall be submitted to the vehicle coordinator and the district staff member responsible for making insurance claims as soon as possible.
32. If a district vehicle is misused in any of the following ways, the driver's driving privileges for district vehicles shall be suspended or revoked, and additional disciplinary action shall be taken as appropriate.
 - a. Frequent violation of traffic laws;
 - b. Flagrant violation of the traffic laws;
 - c. Operation of a vehicle which the police or insurance company determined was the cause of an accident;
 - d. Use of a vehicle for unauthorized use whether personal use, business use, or commuting;
 - e. Violation of these rules, or district policy governing the assignment, use, operation, repair, and/or maintenance of vehicles. This includes the failure to submit a vehicle for routine maintenance as called for in the manufacturer's routine maintenance schedule;
 - f. Operation of a vehicle while impaired to any degree, or under the influence of alcohol or narcotics as defined by State statutes;
 - g. Use of a district vehicle by an unauthorized individual while assigned to an employee;
 - h. Use of a district vehicle to transport any person or child, other than in the course of their assigned duties and responsibilities; or
 - i. Use of radar detectors in district vehicles.
33. The Board shall establish a policy for progressive, uniform, and mandatory disciplinary actions to be applied as necessary.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: FOOD SERVICE - Milk

Purpose:

The Board of Education makes milk available to all students (K-8)

Procedure:

DAILY AMOUNTS

- Each school will complete daily entries into a monthly tally sheet indicating the number of pints received, the number of pints served paid, the number of pints served free milk, and the number of pints discarded (if any).
- At the end of the lunch periods, the custodians will count the number of remaining milk containers and provide the count to the school office.
- The School Office will adjust the milk count for the next delivery if necessary based on the number of cartons available to carry over.
- Lunch room supervisory staff will oversee the distribution of the milk cartons.
- The monthly tally sheets will be forwarded to the Business Office at the end of each month.

STATE REPORT

- The Business Office Secretary will review and reconcile the tally sheets to the vendor invoice monthly.
- The designee will prepare and submit the state report (web-based) on a monthly basis.
- The School Business Administrator or designee will review and verify the web-based report upon receipt of the e-mail notice.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: Free and Reduced Lunch (Milk) Applications

Purpose: *To identify students eligible for participation in the free milk program*

Procedure:

The Free and Reduced Meal application sent electronically by the state will be used to collect data from parents concerning eligibility to participate in the program.

The Business Office Secretary is responsible for creating the application through SNEARS. The application is to be posted on the district website in both Spanish and English.

All applications returned will be evaluated by the Superintendent's Secretary who will notify the parents of their status. Verification of applications, if necessary, would be completed in November. The Direct Certification process will be conducted as directed by the State.

Notification of eligible students will be sent to the building principals and shared with staff responsible for distribution on a need to know basis.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEM

Subtitle: Physical Security Over Technology Equipment, Peripherals and Media

Purpose: *In order to ensure the overall performance of the technology systems, the equipment must be protected from harm, abuse, misuse and pilfering.*

1. Rooms or areas that house more than one server will be secured by mechanical means (locks). Access to these areas should be restricted to authorized personnel only.
 - a. Keys that allow access to the areas should be limited in number and accounted for regularly.
 - b. Review of the personnel who has access to these areas should be reviewed several times a year.
 - c. Visitors to the secure area should be accompanied by the Network Engineer.
2. Rooms or areas that house large amounts of computer or technology equipment (including server rooms, switch closets and computer labs) when feasible should have environmental controls to ensure the proper heating, cooling, ventilation, and dehumidification is provided.
3. All computer and technology equipment should be tagged and inventoried. Annually the equipment should be physically verified against the inventory log for existence and location verification.
 - a. Verification should be made periodically to ensure that equipment is still located where the inventory record states. When equipment is moved, the inventory record should be updated.
 - b. Laptops and other portable pieces of equipment should be accounted for periodically by requiring the users to provide the piece for physical inspection.
 - c. Inventory should be kept of computer related parts, supplies, consumables, and peripherals.

4. Cables and other locking mechanisms should be utilized when appropriate to secure individual pieces of equipment.
5. A master set of user manuals should be maintained and secured to ensure continuity of operations should other versions be destroyed. A master set of manuals should be held in another area, building, in a fire-rated cabinet or scanned and stored electronically in multiple locations.

Media that is utilized for back-up of information, applications or systems including disks, tapes and other output should be held secured in another area, building and/or in a fire-rated cabinet.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Security Over Data – Passwords and User Accounts

Purpose: *In order to ensure the overall performance of the district via its technology systems and data.*

1. Password protection should be utilized for all network logons. Individual applications should also require users to have passwords.
 - a. Users should be reminded not share or write down passwords.
 - b. Passwords for network access should be changed periodically.
 - c. Passwords for applications should be changed periodically.
 - d. Passwords should be user generated and not stored whenever possible, with only reset ability housed at the technology department level.
2. User accounts should only be made for network access and individual application access as required for the completion of the staff duties or learning opportunities for students.
 - a. No user profiles should be created, changed or deleted without proper authorization.
 - b. Access to district wide public folders should be restricted based on user role.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Systems Software and Applications Authorized for Use in the District

Purpose: *The number, type and scope of individual applications should be monitored to maximize the efficiency of the technology while not creating an overly complex environment.*

1. Purchase and use of new applications, including those that are web hosted and not actually owned by the district should require approval of the Superintendent and Business Administrator. Among considerations should be any licensing issues, purpose of application, and compatibility of the new application with the current infrastructure. The need to expand the infrastructure as a result of the new application (for example, video sharing software may need additional storage).
 - a. Before new applications are purchased, there should be a determination of the needs of the district, a review of available solutions, a compatibility test with existing infrastructure and a determination of the needs satisfied by the application.
 - b. Before implementation of new applications, timelines and deliverables should be established. The deliverables would include what is expected of the application and the time frame for each.
 - c. Before installation of new applications, back-up of systems should be done in case of incompatibility and adverse reactions to the new software. Baseline information should be held.
 - d. Hardware requirements for the new application should be identified and purchased well in advance of installation of new applications, if needed. This allows for the proper testing of the new hardware.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Protect the District's Network from Internet

Purpose: *The district should create a multi-layer protection system to ensure that unauthorized access to the network does not occur.*

Procedure:

The district needs to employ several layers of protection to ensure that unauthorized access to the network does not occur.

1. Anti-virus Application is in use and automatically updated and forced automatic rollouts to all district computers occurs on a regular basis to protect from computer virus contamination.
2. The district utilizes spam filters and anti-spyware software to minimize the potential for unsolicited and unauthorized access to the network.
3. The district utilizes an external firewall to prevent access from unauthorized sources.
 - a. Any applications or web pages that will be viewable by the general public or by certain users, will be held in the "DMZ", or that portion of the network where there is limited trust.
 - b. Network resources that are relegated to the "DMZ" will be completely separated from any internal networks, thereby blocking firewall avoidance.
 - c. The available and open ports should be reviewed periodically.
4. Obtain automatic updates for operating systems and common applications such as Microsoft Office.
5. The district will secure the wireless network by using WPA or other network level protective encryption to avoid access by unauthorized sources.
6. District will monitor wireless transmission to verify authentication of users.
7. Network administrators will periodically check systems ability to bind IP addresses to users on the network.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Protect the District's Network from Internal Dangers

Purpose: *The district should create procedures that prevent unauthorized use from within the district*

1. The district utilizes "Lock Out", where the workstations and screensavers should automatically lock the unit when not in use for several minutes.
2. Access to the network should be requested, changed, added and deleted by authorized personnel only on behalf of those staff members who need access.
3. User roles should be defined that allows for many users to be grouped together. The use of profiles allows for more standardization and efficiency in administering the security access of each application.
4. All application access will be reviewed periodically for discrepancies in the user roles and the access to sensitive information.
5. User authority is to be terminated immediately for all persons who leave employment. It is the responsibility of the building administrator to work with the Network Engineer to achieve prompt access termination.

**CLOSTER PUBLIC SCHOOL DISTRICT
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Electronic Communication Archival

Purpose: *Store electronic communications made within district*

1. District will employ hardware solution to maintain electronic backups of all communications.
2. District will store all inbound and outbound messages as required by the Records Retention schedule.
3. Email archival system access will be restricted to secure district personnel.
4. Periodic checks of the email archival system will be made to ensure reliability.
5. Regular password changes will be made to the archival system to limit potential security breaches.
6. The district will use content filter to block any electronic instant messaging/chat program that cannot be monitored/archived.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Video Surveillance Security

Purpose: *To ensure a safe and secure environment for student learning*

1. District will install optical cameras in key locations to record activities at all hours.
2. Surveillance cameras will interface with digital video recording system.
3. Digital recording system will provide enough storage to monitor key locations for a period of three to five days at a minimum.
4. Digital recording systems will be checked annually by an outside agency to ensure recording quality, reliability, and ability to retrieve information.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Web Content Filtering and Supervision

Purpose: *To ensure a safe and secure electronic environment for students.*

1. District will employ tools to monitor access to web sites. Using hardware or software “proxy” solution, the district will put into place a method to filter web sites containing content that is against the district’s acceptable use policy.
2. “Proxy” system will filter web sites that contain viruses, spyware, malware, unsecure connections and improper certificates.
3. District will develop a system to log attempts at blocked web sites
4. Network Engineer will conduct regular maintenance of the “proxy” filter.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Network Storage Availability

Purpose: *To provide users with a secure area on the network to store files.*

1. District will employ tools to allow users to save files on a secure server.
2. Systematic and regular backups will be made of network-stored data.
3. Access to individual network space will be restricted to individual users and network administrators.
 - a. Network administrators will create space limitations so as to not exceed the capacity of the server space
 - b. Users of the network storage system will agree to store content that is in agreement with the district's acceptable use policy.
4. Shared network storage will be monitored to ensure proper access based on security groups.
5. Network administrators will periodically check backups of the system.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Work Orders

Procedure:

In order to ensure that building maintenance and technology projects are done in a timely fashion, work order system (via email) must be followed. Work orders may be generated by the Teachers or other school personnel but must be forwarded and approved by the building Principal. District staff will submit a work order request. No maintenance or computer projects will be started without a work order request. The work orders will be processed in the order they are received. The Network Engineer will prioritize the work orders according to the date needed and the urgency of the work that needs to be done. The Network Engineer will send a notice upon completion of the project.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: TECHNOLOGY SYSTEMS

Subtitle: Procedures for Cyber Security Breach

Procedure:

- Principal or Administrator will notify the Computer/Technology Coordinator in the event of suspicious activity related to a cyber security breach.
- Network Engineer will verify that a breach has occurred.
- Network Engineer will notify the Superintendent of Schools and the School Business Administrator.
- Network Engineer will investigate the breach in order to identify the source and what has been affected.
- The Superintendent of Schools/School Business Administrator will notify local law enforcement and risk manager.
- Local law enforcement will notify the appropriate county law enforcement.
- Superintendent of Schools will notify the board attorney and board trustees.
- Superintendent of Schools will send communications to the affected party(ies).

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: INFORMATION MANAGEMENT

Subtitle: Acceptable Use of District Technology and Information

Purpose: *To ensure that anyone who has access to district electronic resources understand what is acceptable use of the technology and information and ensure that anyone who has access to sensitive information understands the acceptable uses of that information.*

Procedure:

1. The board has established a policy that informs all users of the districts' data, systems and information of the acceptable and non-acceptable uses of those district assets. The policy identifies students, staff, parents and guardians, and other users who may have access to the district's data, systems and information.
 - a. The students and staff are required to sign an acknowledgment of the policy and return that form to the district.
 - b. Other web users of information should be required to have an electronic acceptance on the web pages before data is displayed. These may include calendars, or web requests for use of facilities, these instances may require additional assurances as well.
 - c. All persons with sign-on to the district's network or to district data, i.e. parent portals, should be required to agree to the acceptable use policy, which should be listed.
2. The board has adopted an acceptable use policy that at a minimum should prohibit the following regarding electronic systems conduct that interferes with or stops district activities, including but not limited to excess download, uploads, printing, copying, bandwidth usage, etc.:

- a. conduct any activity not related to the district's operation, including, but not limited to, advertising, soliciting business, or political lobbying
 - b. Involvement in the violation of, or conviction for violation of, federal, state, or local statutes or regulations regarding computers, electronic communications, interstate commerce and/or security regulations. This includes, but is not limited to, material protected by copyright, trade secret, obscenity and related laws
 - c. Threats, harassment, libel or slander
3. This policy is reviewed annually for changes in the types of information used and in the types of technology used.
4. Information as referred to in the policy should not be limited to electronic information or simply the use of electronic systems. Controls need to exist over written information and paper files.
 - a. Individuals who have access to district records may not use the information for personal reasons.
 - b. Sensitive information should be stored in a manner that does not allow for easy access. In the case of electronic information, passwords and restrictions based on user should be employed. For written and paper files, information should be secured by locking cabinets, drawers and doors to offices that hold such information.
 - c. Copies of sensitive material should only be made in cases where it is necessary. Any copies of information that is sensitive in nature should be destroyed in appropriate manner, such as shredding.
5. All users of technology and all those who have access to sensitive district information should be required to sign an acceptable use form that states the person signing has read and agrees to uphold the policies set forth.
 - a. Forms should be signed at least annually and for any major change in position that allows access to additional information.
6. Violations of Acceptable Use Policy are spelled out in student and staff code of conduct.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: INFORMATION MANAGEMENT

Subtitle: Securing of Sensitive Manual (written or paper) Information

Purpose: *To ensure that sensitive information is properly handled and limits the potential exposure of information from being obtained.*

Procedure:

1. All employees who have access to any of the following information, will be required to sign an acceptable use form on the proper methods of use, compilation, dissemination and destruction, when appropriate, and safe-guarding of that information.
2. The Superintendent and Business Administrator or designees will determine those records of a sensitive nature held in the district. The records include, but are not limited to staff, student, volunteer and board member personal information such as address, unlisted phone number, social security number, marital or guardian status, garnishment information, health related information, free and reduced lunch status and disciplinary information.
3. Sensitive information should be housed in a locked cabinet or behind locked doors.
 - a. Access to keys are restricted to personnel authorized to view the information
 - i. Keys should have "do not duplicate" on them and copies should be prohibited, except as needed
 - b. Areas housing sensitive information should be locked whenever the areas are not staffed
 - c. Wherever possible, sensitive information should be stored away from high traffic areas.
4. Original sensitive information files should be housed in a fire rated cabinet, where possible.
5. Backups of paper documents should be treated as sensitive. Electronic documents should be backed up daily and paper documents should be housed in locked areas.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: INFORMATION MANAGEMENT

Subtitle: Retention of records

Purpose: *To maintain the written and electronic records of the district in accordance with State Laws and Regulations*

Procedure:

1. No material which qualifies as a record or document may be destroyed without the prior approval of the NJ State Division of Archives and Records Management.
2. All requests for document disposal or questions regarding disposal must be submitted to the Business Administrator.
3. After approval by the auditor, the Business Administrator will forward all requests to the State for approval.
4. Records or documents may not be destroyed until after approved by the State has been received.

Legal Reference: Chapter 410 47:3-15 et seq. Public Records Account

For the recent copy of the State's Records Retention policy, please go to:
<https://www.nj.gov/treasury/revenue/rms/retention.shtml#eds>

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: Financial and Human Resource Management Systems

Subtitle: Fiscal/Management Systems

Purpose: *Pursuant to 6A:23A-6.7 school districts and county vocational school districts with budgets in excess of \$25,000,000 or with more than 300 employees shall maintain an enterprise resource planning (ERP) system which integrates all data and processes of an organization into a unified system. An ERP system uses multiple components of computer software and hardware and a unified database to store data for the various system modules to achieve the integration. NOTE: This system does not include student, transportation or food service databases or modules.*

Procedure:

The following highlights important factors that should be considered when selecting an ERP system for the district. The Business Administrator and Board of Education will take these issues into consideration when the current ERP system utilized has become obsolete or is no longer practical for the district.

ERP System Integration Features

Three applications – comprise an ERP; accounting, payroll, and human resources system. System integration permits data sharing among the three applications, therefore eliminating any duplication of data entry. System integration features facilitate data sharing not only among the applications, but may also with third-party payroll, substitute placement/absence tracking, and bidding applications. Integration between these applications allows for the automation of many functions, enabling:

In Accounting

System-generation of the payroll purchase order and encumbrances at the start of each new fiscal year (salary amounts and expense account information from Payroll is used to create the file needed to generate the payroll PO encumbrances in Accounting).

Update/adjust payroll PO encumbrances throughout the year to reflect any staff/budget changes (updated salary/expense account information from Payroll is used to update payroll PO encumbrances in Accounting). Automatically reduce payroll PO encumbrances to expenditures each pay period. Import next year's budget preparation data directly into a Budget Projection Module (transfer of salary data either from Personnel, or a third-party application such as Microsoft Excel, into Accounting). Import purchase order data from third-party bidding applications (such as Educational Data) to Accounting, automating purchase order entry.

In Payroll

Automatically update new fiscal year payroll salaries for all employees (transfer of contracted salary data from Personnel to Payroll). Or synchronize remaining contract days that can be printed on employees' payroll check stubs (transfer of remaining sick/personal/vacation day balances from Personnel to Payroll).

In Personnel

Import attendance information. Implement position control codes (transfer of employee budget spread data from Payroll via alpha/numeric position control code for each employee record within Personnel). Automatically update position control budget spread information (based on payroll budget spread changes – transfer of updated budget spread data from Payroll updates Position Control Code budget spread data in Personnel). Generate projected salary data, by expense account, for budget preparation (transfer of employee salary data and Position Control Code budget spread information from Personnel to an Accounting's Budget Projection Module).

Payroll budget spread information can also be imported into Accounting from third-party applications. Those not utilizing system integration will obtain the payroll budget spread database file from their individual payroll provider instead.

Import Budget Preparation Data into a Budget Projection Module (Personnel to Accounting).

Accounting may include a budget projection module designed specifically to assist school districts with next year's budget preparation. This module includes a function allowing for the import of data (either from Personnel or a third-party application such as Microsoft Excel). This Projected Salary Data File (with the use of unique position codes, the system will automatically project, based on your district's settled contract information, the total amount needed for each salary expense account).

Bidding to Budget Transfer

(Third-Party Bidding Software to Accounting)

The District utilizes an outside bidding company. Educational Data assists with the process of procuring needed supplies for the upcoming year. Educational Data deals with the individual vendors and awards the bids based on district criteria. The data received from Educational Data bidding applications then needs to be entered into the district's accounting software application to generate the purchase order encumbrances. Entering these purchase orders can be time consuming and labor intensive. The Accounting system is able to provide a "Bidding to Budget Transfer" function.

Automatically Update New Fiscal Year Payroll Salaries for all Employees

(Personnel to Payroll)

At the beginning of each new fiscal year, salary information can be updated for all employees automatically. If system integration is used this should be an automated process for those districts that utilize both Payroll and Personnel applications. Personnel provides the ability to maintain historic, current and future year salary information, allowing Payroll to access this data when it is time to update individual employee salaries.

Implement Position Control Codes or Numbers (PCN), and Automatically Update Position Control Budget Spread Information (Payroll to Personnel)

Utilizing a synchronized Personnel and Payroll applications give the ability to implement position control codes, as well as automatically update position control budget spread information as necessary. Position Control Codes or Numbers (PCNs) represent distinct, board-approved, contracted job positions. The budget spread for each position is defined, providing a powerful in-house management and budgeting tool. Key benefits of utilizing PCNs include features that allow your district to:

- Validate current year budget appropriations against Personnel contracted salaries, by account.
- Present salary projection analysis to the board to assist with budget projection for the next fiscal year.
- Track and project the district's vacant positions, allowing for more accurate budget projections.
- Utilize employee budget spread information from Payroll to generate PCN in Personnel.

In short, a unique code is created to represent each board-approved contracted position within your district. These codes are referred to PCNs. The budget spread is attached to these codes, telling the system which account(s) the position is to be paid from. As the positions are filled, the corresponding PCN is linked to the employee who is currently filling the position. PCNs that are not linked to any employees represent vacant positions. For example, if your district has five board-approved positions for high school math teachers, you would establish five PCNs to represent the five separate positions.

PCNs are independent of employee records. Each PCN represents a separate position within the district, not the employee who fills it at any particular time. Thus, if an employee leaves a position and the position remains open, the PCN remains active in the system representing a vacant position to be filled. Once an employee is hired for that position, the vacant PCN is then assigned to that person.

Vacant PCNs provide an area where a projected estimated salary amount may be entered, providing the district with the ability to budget for positions that are expected to be filled. When a PCN is linked to an employee record, the calculated salary for that employee overrides the vacant salary amount entered for the PCN. As PCNs represent positions within the district, they are only added or deleted when a job position itself is either created or phased out.

Meaningful vs. Non-Meaningful PCNs

Determination

Once the aforementioned is reviewed and the priorities or direction of the district is established the Business Administrator should approach the Board of Education with their findings. The Board of Education should prior to determination, analyze the recommendation for ERP compliance, but make sure that all changes in procedure and process also adhere to Board of Education policy, maintain appropriate user authority and user access and district wide protocols for accessibility.

Internal Controls

The Board of Education should establish internal control procedures for all systems (fund accounting, personnel and payroll) regardless of true system integration or multi systems (many modules) integration. No one individual should have control within all systems. Annual review should be done via an internal control check.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: ASSA REPORTING

Procedure:

The information for the Application for State School Aid (ASSA) is generated through and completed by the Business Administrator. Information needed will be communicated to the Principals/ Supervisors from the Business Administrator detailing the directions for submitting the school ASSA information along with the importance of its accuracy. Below is a breakdown of how the information is generated:

Information	Personnel Responsible	Documentation
Students on roll – Full and Shared	Principal Building Secretary	Reports generated by Realtime
Sent Full Time Received Full Time	Business Office Special Services	Tuition Contracts Spreadsheet
Private Schools for the handicapped	Business Office/ Special Services	Tuition Contracts Spreadsheet
Resident Students	Principal Building Secretary	Student Database
Transportation	Business Office Director of Special Services	DRTRS Spreadsheet
Low Income	Business Office Secretary	Application for F& R Lunch
English Language Learners	School Admin/ ELL Chair	Realtime Database Spreadsheet

Changes are made if needed in the ASSA report and submitted to the NJDOE.

**CLOSTER PUBLIC SCHOOLS
CLOSTER, NEW JERSEY**

Title: GLOSSARY OF COMMON SCHOOL ACCOUNTING TERMS

ACCOUNT - A descriptive heading under which are recorded financial transactions that are similar in terms of a given frame of reference, such as purpose, object, or source.

APPROPRIATION - An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

AUDIT - The examination of records and documents and the securing of other evidence for one or more of the following purposes:

- A. Determining the propriety, legality and mathematical accuracy of proposed or completed transactions.
- B. Ascertaining whether all transactions have been recorded.
- C. Determining whether transactions are accurately recorded in the accounts and in the statement drawn from the accounts.
- D. To determine whether the statements prepared present fairly the financial position of the school district.

AVERAGE DAILY ATTENDANCE, ADA - The aggregate days; attendance of a given school during a reporting period divided by the number of days school is in session during this period. Only days on which the pupils are under the guidance and direction of teachers should be considered as days in session.

BID - The process which includes legal advertising and direct contact, sought from appropriate vendors for goods and services individually or in the aggregate, whose cost is above the mandated bid threshold.

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

CAPITAL OUTLAY - An expenditure which results in the acquisition of fixed assets or additions to fixed assets. It is an expenditure for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings and the remodeling of buildings, with the life expectancy of at least ten years.

CASH - Currency, checks, postal and express money orders, and bankers' drafts on hand on deposit with an official or agent designated as custodian of cash, and bank deposits.

CHART OF ACCOUNTS - A list of all accounts generally used in an individual accounting system. In addition to account title, the chart includes an account number which has been assigned to each account. Accounts in the chart are arranged by Fund, Program, Function and Object.

CONTRACTED SERVICES - Services rendered by personnel who are not on the payroll of the Board of Education including all related expense covered by the contract. Also see Purchased Services.

CURRENT - The term refers to the fiscal year in progress.

DEFICIT - The excess of the obligations of a fund over the fund's resources.

DISBURSEMENTS - Payment in cash.

ENCUMBRANCES - Purchase orders, contracts, and salary or other commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid.

EQUIPMENT - An instrument, machine, apparatus, or set of articles with a value of at least \$500 which retains its original shape and appearance with use and/or is nonexpendable; i.e., if the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair than to replace it with an entirely new unit.

EXPENDITURES - Charges incurred, whether paid or unpaid, which are presumed to benefit the current fiscal year.

FISCAL YEAR - The twelve-month period from July 1, through June 30, during which the financial transactions of the school system are conducted.

FIXED ASSETS - Land, buildings, machinery, furniture, and other equipment which the Board of Education intends to hold or continue to use over a long period of time and costs over \$2000.00 when purchased. "Fixed" denotes probability or intent to continue use or possession, and does not indicate immobility of an asset.

FUNCTION - A group of related activities which are aimed at accomplishing a major service for which the school system is responsible.

FUND- All accounts necessary to set forth the financial position, the financial operations, the changes in residual equities or balances, and the changes in financial position of a fund.

GENERAL FUND - Used to account for all transactions in the ordinary operations of the Board of Education.

INVENTORY - A detailed list or record showing quantities, descriptions, values, and frequently, units of measure and unit prices of property on hand at a given time. Also, the cost of supplies and equipment on hand not yet distributed to requisitioning units.

INVOICE - An itemized list of merchandise purchased from a particular vendor from which payment is made. The list includes quantity, description, price, terms, date and the like, and is matched with the signed receiving copy.

OBJECT - The commodity or service obtained from a specific expenditure.

OBLIGATIONS - Amounts which the Board of Education will be required to meet out of its resources, including both liabilities and encumbrances.

PETTY CASH - A sum of money set aside for the purpose of paying small obligations for which the issuance of a formal voucher and check would be too expensive and time-consuming. Also, a sum of money, in the form of a special bank deposit, set aside for the purpose of making immediate payments of comparatively small amounts.

PROGRAM - A plan of activities and procedures designed to accomplish a predetermined objective or set of allied objectives.

PROGRAM MANAGER - The individual responsible for monitoring the expenditures within a particular program of the budget. This person usually determines what to purchase, originates purchase orders and receives goods and/or services.

PRORATING - The allocation of parts of a single expenditure to two or more different accounts. The allocation is made in proportion to the benefits which the expenditure provides for the respective purposes or programs for which the accounts were established.

PURCHASE ORDER - A written request to a vendor to provide materials or services at a price set forth in the order and is used as an encumbrance document.

PURCHASED SERVICES - personal services rendered by personnel who are not on the payroll of the Board of Education, and other services which may be purchased by the Board of Education.

REFUND - A return of an overpayment or over collection. The return may be either in the form of cash or a credit to an account.

REIMBURSEMENT - The return of an overpayment or over collection in cash.

REPLACEMENT OF EQUIPMENT - A complete unit of equipment purchased to take the place of another complete unit of equipment which is to be sold, scrapped or written off the record and serving the same purpose as the replaced unit in the same way.

REQUISITION - A written request to a school official for specified articles or services. It is a request from one school official to another school official, whereas a purchase order is from a school official to a vendor.

STUDENT ACTIVITY FUND - Financial transactions related to school-sponsored student activities and interscholastic activities. These activities are supported in whole or in part by income from students, gate receipts, and other fund-raising activities.

SUPPLY - A material item of an inexpensive, expendable nature that is consumed, worn out or deteriorated in use; loses its identity through fabrication or incorporation into a different or more complex unit or substance. Is expendable or subject to replace rather than repair if damaged or if some of its parts are lost or worn out.

TRAVEL - Costs for transportation, meals, hotel and other expenses associated with traveling on business for the Board of Education.

UNIT COST - Expenditures for a function, activity, or service divided by the total number of units for which the function activity or service was provided.

VOUCHER - A document which authorizes the payment of money and usually indicates the accounts to be charged.

From: John Greenhalgh, Practitioner's Guide to School Business Management, Allyn and Bacon, Boston, 1978, pp. 261-273.
Sam B. Tidwell, Financial and Managerial Accounting for Elementary and Secondary Schools, 3rd Ed., 1985, pp.597 -628.

LIST OF DUTIES BY EMPLOYEES	Business Administrator	Treasurer	Bookkeeper	A/P Clerk	Secretary to Bus. Adm.	Payroll	Chief School Administrator	Adm. Asst. to Supt.	Individual School	Prin. and/or Dept Heads	Board President	Board Members
	EXPENDITURES CYCLE											
Purchase orders approved by												
Receiving records prepared by												
Vendors' invoices approved by												
Purchase journal prepared by – N/A												
Perpetual inventory records kept by – N/A												
Physical custody of inventory by												
Payments processed by-												
Check sent by-												
PAYROLL CYCLE												
Additions to payroll authorized by												
Pay rates authorized by												
Terminations authorized by												
Time approved by												
Payrolls computed by												
Payroll checks prepared by												
Payroll records prepared by												
Payroll checks signed by												
Cash payroll envelopes prepared by – N/A												
Payroll distributed by												
Payroll bank account reconciled by												
Assignments authorized by												
Terminations authorized by												
Leave of absences authorized by												
Assignment of PCN by												
Employee Certifications checked by												
To add an employee authorization												
Access to employee records												
Creation of job titles, salary guides												
Creation of PCN												
Attendance Input/Edit Control												
End of year roll over												
GENERAL LEDGER prepared by												
GENERAL JOURNAL ENTRIES approved by												

The above list indicates a proper separation of duties except for those indicated at
