

**MONMOUTH COUNTY VOCATIONAL
SCHOOL DISTRICT**

**GUIDE FOR
STANDARD OPERATING PROCEDURES
AND
INTERNAL CONTROLS**

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PREFACE

The **Guide for Standard Operating Procedures and Internal Controls** is a document that outlines the business practices that are approved by the Monmouth County Vocational School District Board of Education and administered by the Business Office. 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." It must be understood that 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. Monmouth County Vocational School District is heretofore referred to as the "district." Monmouth County Vocational School District Board of Education is heretofore referred to as the "board."

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Chapter 1 - INTERNAL CONTROL DOCUMENT

OVERVIEW:

Internal controls are not separate systems of the 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.

1. 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 board and administration determines the attitude toward the controls of the district.

a. Organizational Structure:

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

b. 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 is 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.

c. 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 become the basis for the determination of compliance.

2. Administration's Risk Assessment

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:

- a. New personnel or new duties for existing personnel
- b. How a change in accounting information system impacts controls and how effectively the training of personnel on new system was conducted
- c. Changes in the regulations and laws that may affect the control environment
- d. Appropriate and secure record storage (fireproof cabinets when needed for manual documents and proper passwords and access limitations for electronic information)
- e. Limited access to computers and data files
- f. Segregation of duties
- g. Transactions recorded timely
- h. Cash deposited timely
- i. Assets physically safeguarded
- j. Transactions performed by only authorized personnel

- k. Reconciliations properly and promptly completed
 - l. Occurrences of management override
3. 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.
4. 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:
- a. Segregation of duties
 - b. Transactions recorded timely
 - c. Cash deposited timely
 - d. Assets physically safeguarded
 - e. Transactions performed by only authorized personnel
 - f. Reconciliations properly and promptly completed
5. 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.

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 would 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.

Chapter 2 - EVALUATING INTERNAL CONTROLS

Purpose: Controls are evaluated on a periodic basis to ensure the controls continue to be effective.

Procedure:

1. The School 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.

Chapter 3 - COMMUNICATING STAFF MEMBERS ROLES

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

Procedure: The School 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.

1. Controls that are not performed with an understanding of the control will not be effective.
2. 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.
3. Documentation of these reviews should be maintained.

Chapter 4 - CASH CONTROLS

Purpose: To identify the controls over cash and the personnel responsible

Legend of Key Employees:

Superintendent
Assistant Superintendent/Curriculum & Staff Development
School Business Administrator
Staff Accountant

Executive Secretary to Superintendent
Executive Secretary to Assistant Superintendent
Executive Secretary to School Business Administrator
Executive Secretary for Personnel
Head Bookkeeper – Accounts Payable
Bookkeeper – Payroll/Pension & Benefits
Bookkeeper – Accounts Payable
Bookkeeper – Accounts Receivable
Treasurer

Cash Receipts

The Executive Secretary to School Business Administrator opens the mail at the Board Office. All cash receipts, in form of cash or checks, are given to the Bookkeeper – Payroll/Pension & Benefits. The Bookkeeper – Payroll/Pension & Benefits posts the receipts to a manual receipt log and then prepares the deposit slips. The deposits are posted promptly into the computer system and accurately recorded as to account, amount and period, by the Head Bookkeeper. Deposits are made at least three times a week. Any adjustments to cash accounts are made by the Head Bookkeeper, with the School Business Administrator's approval. Cash held on site is kept in the fireproof safe in the Main Office, which is locked at night.

Student Activities: Each Principal has a Student Activity Account. The Principal is directly responsible for receipts, disbursements and reconciliations of their account. They must abide to the direction given in the Student Activity Handbook (refer to Section III, Chapter 2).

Food Service: This procedure differs by school situation. CLASS Academy, KIVA High School (KIVA), Monmouth County Academy of Allied Health & Science (MCAAHS), and Communications High School (CHS) make daily deposits for meals/milk into our General Account. All of these receipts are posted into the Systems 3000 by the Bookkeeper. MCAAHS, CHS and Marine Academy of Science & Technology (MAST) do not participate in the National School Lunch program. Biotechnology High School (BTHS) has a vended agreement through Freehold Township schools. All of BTHS receipts get deposited into Freehold Township School District's General Account. MAST has a private company running their food service operation at no charge to the district. Their receipts offset their costs.

Program Service Charges:

The Principal is responsible to see that all program service charges that are required to be charged to the public are collected and properly recorded. Service charges are dictated by School Board Policy and there can be no exceptions.

Cash Disbursements

All cash disbursements are made by check or electronic transfer.

Systems 3000 assigns check numbers sequentially. All blank checks are kept in a file cabinet, which is locked at night. All cash disbursement records are matched against accounts payable/open invoice files by the Accounts Payable Department. The computer software is designed to print signed checks. The printer is installed with a signature chip. Only the Accounts Payable and Payroll Departments have access to print checks. Checks are prepared only after proper matching of supporting documentation. Supporting documentation is marked with the check number when a check is prepared.

Electronic Fund Transfers are done by the Payroll/Benefits Secretary for payroll and payroll related payments.

Each Principal signs the Student Activity Checks for their buildings, respectively.

Investments

Cash balances should be reviewed periodically to identify investment opportunities; investment vehicles must be in accordance with state statutes.

Reconciliation

All accounts must be reconciled monthly.

Chapter 5 - PAYROLL CONTROLS

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

PAYROLL:

Employees are paid semi-monthly through the Net Payroll Account. Funds are deposited into the account used for payroll from the General Fund by the Bookkeeper – Payroll/Pension & Benefits. The School Business Administrator verifies the total amount transferred into the Net Payroll Account to the payroll register. Employees are never paid in cash.

The district uses Systems 3000 software for its payroll. The Bookkeeper – Payroll/Pension & Benefits enters the yearly salary for the salaried employees at the beginning of the year. The salaries are verified by the Executive Secretary for Personnel. Additional pay, such as time sheets, are signed by the employee and the supervisor, then are verified and coded by Executive Secretary to School Business Administrator prior to input. The Bookkeeper – Payroll/Pension & Benefits enters any board approved additional pay information into the system. The individuals responsible for approving time sheets are not responsible for processing or recording payroll.

The Bookkeeper – Payroll/Pension & Benefits deactivates terminated employees. She is also responsible for maintaining the documentation authorizing any changes in pay. The Bookkeeper – Payroll/Pension & Benefits must work closely with the Executive Secretary for Personnel. The personnel files are maintained by the Executive Secretary for Personnel. All changes in personnel data are reported promptly, so they can be properly taken care of in the payroll database.

The timely remittance of payroll taxes, tax returns, pension reporting is the responsibility of the Bookkeeper – Payroll/Pension & Benefits and authorized by the School Business Administrator. In addition, she is responsible for monitoring employee benefit matters and for the timely remittance of all withholdings; such as 403(b) deferrals and garnishments.

The payroll registers and other related payroll reports are generated through Systems 3000 by the Bookkeeper – Payroll/Pension & Benefits. The payroll distribution is transferred into the accounting system. The payroll registers are given to the School Business Administrator, Superintendent and Board President for review and approval in accordance with NJ Department of Education directives. The Bookkeeper – Payroll/Pension & Benefits reconciles the payroll account at the end of each month and shares that information with the Treasurer of School Monies.

All payroll checks are sequentially numbered by Systems 3000 and used in sequence and any unissued checks are kept in a storage cabinet in the Business Office, which is locked at night. Payroll checks are automatically signed when printed.

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

1. Search for fictitious employees
2. Determine improper alterations of amounts
3. Verify that proper tax deductions are taken
4. Examine time cards and trace to payroll records in order to verify the proper recording of employee hours
5. Verify the accuracy of pay rates from board minutes
6. Review the adequacy of internal controls relating to hiring, overtime, and retirement
7. Determine if proper payroll forms exist such as W-4s and I-9s

Chapter 1 - GENERAL LEDGER

Procedure:

Monthly

- Compare Board Secretary's Report and Subsidiary Ledgers for consistency
- 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's Report
 - Review all accounts for funds availability

Year-End Procedures

- At year-end, complete all accrual entries and properly close out accounts.
- Prepare supporting documentation for all accounts, for audit verification.
- Review all year-end purchases, for determination as accounts payable or carry forward encumbrance.

Accounts Receivable

- Monthly tuition billing is recorded appropriately
- Record tuition receivable
- Record tax levy receivable
- Record state aid receivable
- Record county capital receivable and maintain capital projects retain age accounts

Accounts Payable

- Prepare the requisitions to become purchase orders, after the requisition is approved at all levels.
- Prepare purchase orders for payment, which includes:
 - Receipt of packing slips, receiving copy signed by receiver, invoice, and voucher, if applicable
 - Evidence that the item being purchased followed proper purchasing procedures; i.e., attached quotes, or state contract information, etc.

Payroll

- Encumber all funds for board approved contracted employees
- Process semi-monthly payrolls to include all contracted, part-time, and hourly employees as dictated by contract and board minutes
- Prepare all monthly, quarterly, and annual payroll tax and pension reports

Fixed Assets

- Identify all equipment costs for fixed asset control. If cost is over \$2,000.00, item must be tagged and recorded
- If district asset threshold is lower, item must be recorded in inventory control document and tagged
- 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, the School Business Administrator must have board approval prior to using any of these methods of disposal: donation to other school districts, surplus sale, E-Bay or other electronic means
- Remove item from fixed asset inventory records

Chapter 2 – USE OF SCHOOL FACILITIES

Procedure:

Buildings may be used for approved programs or activities. Approval must be received from the Superintendent for use of buildings for any other purpose and approved by the board.

The School Business Administrator shall request the organization using the facility to supply proof of insurance coverage. As a requirement of our insurance carrier, their insurance certificate must name the Monmouth County Vocational School District 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.

Chapter 3 – INVENTORY/DISPOSAL OF OBSOLETE EQUIPMENT

[To be added]

Chapter 4 – ACCEPTANCE OF GIFTS, EQUIPMENT/SUPPLY, DONATIONS

Procedure:

Acceptance of gifts or scholarships from any individuals or groups in the community requires board approval.

All equipment or supply donations must be approved by the Superintendent and the board. Such approval will be granted only after inspection of such donations indicates that they are of appropriate value to the instructional program.

Gifts of money will be deposited into the General Account. Once it has been board approved, a requisition can be processed for the purchase of the intended gift.

Chapter 5 – INVENTORY/EQUIPMENT

[To be added]

Chapter 6 – SALES TAX EXEMPTION QUALIFICATIONS

Procedure:

1. Only expenditures from the approved board operating budget are eligible for sales tax exemption.
2. Exemption letters are available through the Business Office.

SECTION III – CASH MANAGEMENT
III-1.1

Chapter 1 – PETTY CASH FUND

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

Procedure:

As approved by the board, petty cash checks will be issued to Building Principals. The check will be made out in the amount of \$200.00 in the name of the Building Principal. In accordance with procedures established in the Superintendent's Office, the Building Principal will be responsible to account for all monies expended. There will be no single expenditure exceeding \$30.00 without the approval of the Superintendent. Monies shall be used only for small miscellaneous items necessary for building operation.

Accurate accounting of all petty cash funds is essential. Principals shall be responsible to respond to questions by the auditor.

Superintendent's Office administrators shall have access to petty cash funds for appropriate purposes through the Executive Secretary to Superintendent.

All funds are to be closed out prior to June 30. To accomplish this, the cash balance plus the receipts must be returned 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.

Chapter 2 – STUDENT ACTIVITY FUND

Purpose: Student Activity Funds are funds that are being held for the benefit of students. These funds are under control of the board, which has a fiduciary responsibility. It is the purpose of this Student Activities Handbook to reinforce financial controls district wide. In no instance are student activity funds to be used to replace General Fund allocations without the prior approval of the board. Purchases should be for supplemental activities or items.

RECEIPTS/DEPOSITS:

All money collected for any reason must be kept in the school safe and deposited in the bank no later than 48 hours after receipt of monies. This is referred to as “the 48 hour rule.” Money should not be taken home for “safe-keeping” or left in desk drawers or file cabinets. Deposits must agree with the entries in the cash receipt book (physical book or software program) and are traceable to the actual receipts or groups of receipts. Any exchange of money from the activity advisor to the Principal or designee must be documented with a receipt signed by both parties to the exchange.

No payment for expenses of the activity should be made from the cash or receipts of the activity. Expenses must be paid by check with proper substantiation.

DISBURSEMENTS:

The activity advisor and the Principal must sign check request vouchers. The Principal’s signature indicates that the activity has available funds prior to authorizing purchases. Vouchers must properly identify the vendor and be accompanied by supporting documents such as invoices, sales slips, letters of correspondence and/or quotes. Issuing a check without first securing an itemized invoice or receipt is prohibited.

Three quotes should be received in writing and used as back-up documentation when the expenditure is \$3,900.00 or greater.

Only one checking account is to be maintained by each school, (two for Communications High School). Signatures on the checks must be “live”; no stamped signatures.

Disbursements will NOT be made in cash.

Employees or others may not make personal purchases through a student activity account.

Voided checks must not be destroyed. Voided checks should be marked “VOID” and retained with the check request vouchers.

Blank checks will be kept in a locked location when not in use and will be properly controlled and safeguarded at all times.

No office supplies or building supplies are to be purchased with student activity fund checks.

Purchases for student research projects must be reconciled to the donated funds supporting them. These purchases need PRIOR written approval by the Principal to ensure the availability of funds and that the purchase follows the guidance in the Chemical Standards Handbook. Any purchase without documentation of prior approval is prohibited and shall not be reimbursed.

All musicians, choreographers, and DJs must be paid through accounts payable on a purchase order, unless the vendor is incorporated. Prepare a requisition, and a check from the activity account made payable to the district to cover the payments. The activity is still paying for the professionals, but the checks will go through the district's general fund so payments can be tracked for tax purposes.

Student Activities Advisors are not permitted to purchase equipment for their club or organization. Only the board can own equipment.

Receipts submitted for reimbursement to the advisor must be detailed as to the items purchased, the quantity, the date, location, etc.

Students should not be asked to purchase items and be reimbursed.

BOOKKEEPING:

Bank reconciliations need to be completed and documented each month. Only reconcile items for the current month; i.e. items from the first of the month through the last day of the month. Do not include checks written past the last day of the month.

Keep your records in date order: by date the check is issued, not cleared the bank; and by date deposits are made. Issue checks in numerical order.

Monthly reports must be printed and kept with your records. There needs to be a reconciliation report. This can be completed on the back of your bank statement to include your outstanding checks or prepared through your software program. There also needs to be a register kept for every month. This can be kept as simply as your home checkbook register or through your software program, but it must include every transaction in and out of your account for the current month. (For Quicken users, Transaction Detail reports or Register reports will meet your needs.)

Receipts and disbursements should be entered into Quicken, or alternative software program, from your check request voucher or checkbook, deposit worksheet or deposit slip. Do not wait for the bank statement and enter the information from the statement. (The exception to this is bank fees.)

No activity account will operate with a negative balance. Special exceptions may be made with the written approval of the Assistant Superintendent, based on the expectation that such negative balance is a temporary condition that will be corrected within **thirty** days by incoming revenue.

If an account has had no activity for twelve consecutive months, it will be considered inactive and closed by the Principal upon the Assistant Superintendent's approval. The funds from the closed accounts should be transferred to the Principal's "Special" account.

It is not the intent of student activities to accumulate significant sums for future years. Class level activity funds may accumulate revenue until one month after graduation. At the discretion of the Principal, any balance remaining will be absorbed by a school-wide function such as a Student Council, or passed down to the incoming Freshman Class. (Senior class funds should be used to lessen the costs of senior class activities. Modest class gifts are permitted but should not be the goal of fund raising efforts.)

The Fund Raising Application and the Fund Raiser Report are required to be completed and kept in a separate folder for Administrative review. The Club Advisor should be submitting the Application to the Principal at least two weeks prior to the event. The Principal is responsible to approve or deny the event. The Club Advisor should be completing the Report and file it with the Principal within two weeks after the event. This information will prove helpful when completing the Student Activity Annual Reports.

Fundraising for charities: The Club Advisor must specify on the Fundraiser Application the designated charity. In no instance, should the club decide the charity after the fundraising event has occurred.

In June of each school year, the Assistant Superintendent will require submission of a Student Activity Annual Report form for each activity in each building and a list of advisors recommended for the next school year.

AUDITING:

The Business Office shall maintain an internal audit program to:

1. Ensure adherence to board policies and established procedures
2. Verify that receipts and disbursements are supported by proper documentation
3. Provide assistance to the audit performed by the district's independent auditing firm

The designated district audit firm will conduct an annual audit on all activity accounts and will check on business procedures for those accounts. The auditors will be especially concerned with:

1. Conformity and consistency in advisor and principal authorization for purchases and payments
2. Proper substantiation for all payments
3. Proper approvals for payments made
4. Adherence by advisor and Building Principal to procedures established by the district administration

Chapter 4 – PAY PROCEDURES

Procedure:

1. Regular Pay:
 - a. Full-time employees will be paid semi-monthly.
 - b. All ten month employees will receive their contract salary in equal payments from September through June inclusive.
 - c. All twelve month employees will receive their contract salary, in equal payments, from July through June inclusive.
 - d. Beginning with the 2008-2009 school year, at least every three years, each employee will be required to provide to the payroll department in the Business Office, a picture identification and sign for release of his or her check or direct deposit voucher, as dictated by NJAC 6A:23A.
 - i. Picture identification shall be in the form of a district issued identification card, valid drivers' license, official passport or other picture identification issued by a state, county or other local government agency.
 - ii. 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.
 - iii. Upon completion of the payroll check distribution verification procedures, the Superintendent shall submit a certification of compliance, to the Executive County Superintendent.
2. Extra Curricular Contracts: Contracts will be paid at the end of the school year as per contract.
3. Substitutes and Hourly Paid Employees: All daily and hourly paid individuals will be paid once a month.
4. Overtime: Overtime is approved by the Principal and School Business Administrator and is paid when reported. Payment of overtime will be based on negotiated contract provisions.
5. 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.
6. All changes 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.

SECTION III – CASH MANAGEMENT

III-4.1

Chapter 4 – CODING OF BUDGET ACCOUNTS

Procedure: When completing requisitions 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.

SECTION IV – BUDGET PROCESS
IV-1.1

Chapter 1 – BUDGET DEVELOPMENT PROCESS

Procedure: School Budgets are the responsibility of the Building Principal and the School Business Administrator. The School Business Administrator tracks the school accounts during the year making the necessary transfers needed to ensure no accounts are over expended.

[To be expanded]

SECTION IV – BUDGET PROCESS
IV-2.1

Chapter 2 – BUDGET TRANSFERS

Procedure: Individual budget line item transfer requests are to be submitted to the School Business Administrator. The School Business Administrator or designee is responsible for transferring money between accounts as permitted and with board approval, as needed.

[To be expanded]

SECTION IV – BUDGET PROCESS
IV-3.1

Chapter 3 – GRANT APPLICATION PROCEDURE

Procedure: All grant applications require approval from the Superintendent and action from the board, prior to submission to the granting authority.

[To be expanded]

Chapter 1 – POSITION CONTROL

Purpose:

Position control is a process to measure the current status of positions for personal 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.

The purpose of this is to assign position control numbers, also known as Unique Position Code (UPC) in order to link positions to a budget account number

Scope:

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

Authority:

The assignment of UPC's should be initiated by the Superintendent. The Executive Secretary for Personnel in conjunction with the School Business Administrator should maintain a list available to the Superintendent when hiring or transferring employees for the district.

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, etc.) and either filled or vacant. A permanent position does not exist until it has been board approved.

Creating and Maintaining:

Position Control data is maintained by the Executive Secretary for Personnel.

Position Control Number (UPC):

A UPC 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 UPCs to represent the five separate positions.

SECTION VI – PURCHASING
VI-1.1

Chapter 1 – PURCHASING PROCEDURES

Authority to Purchase:

According to New Jersey State statute 18A:18A-2(b), the Purchasing Agent/School Business Administrator is the only individual in the school district that has the authority to make purchases for the board.

Budget Procedures:

1. Equipment - Equipment is defined by the State as an item that costs more than \$2,000.00 and has a useable life of more than one year.
2. Timeline for AV, Reference, Magazines, Textbooks, Software, Workbooks, Small Tools
Jan.-Feb. - Mail inquiries
April 9 - Requisitions submitted
Note: The name of the program for which a requisition is submitted must be clearly typed in the print details section of the requisition. If textbooks or workbooks are ordered, the ISBN number must be included in the print details of that order.
3. New Textbooks - New textbook requisitions must be accompanied by Textbook Approval Form, Curriculum Rating Form and the Instructional Materials Evaluation Form. Replacement text requisitions need only the Textbook Approval Form. Again, the ISBN numbers must be included in the print detail.
Note: Every textbook purchase order, no matter when it is submitted, must include these forms.

Authorized Purchases:

All requests for the purchase of goods and /or services must be made through an approved purchase order signed by the School Business Administrator. 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 School Business Administrator.

Unauthorized Purchases:

Any board employee who orders and/or receives any materials, supplies or services without going through the approved purchase order process has made an unauthorized purchase that may be subject to disciplinary action.

Procedure:

1. QUOTATIONS: When a single item or service, or group of like items cost between **\$3,900.00 and \$25,999.99, two written quotations are required are required by law.** However, it is an established practice in our district to require **three written, (not phone), quotes** for purchases, regardless of the price of the purchase. Only one of the three quotes can be a “No bid”. A **Quotation Form** is used for this procedure and is needed to back up the requisition for submission to the Business Office.
2. BIDDING PROCESS: When a single item or service of a group of like items are at **\$26,000.00** or greater, the formal bidding process through the Business Office is required. (The threshold amount is announced on July 1 each year.) Building Principals or Program Supervisors are responsible for providing the Business Office with detailed specifications and a list of vendors (if requested) for each item or service being purchased. The legal process takes approximately four to eight weeks from the date of the Business Office receives the request and specifications. After award of the bid, the School Business Administrator will notify the appropriate party of the award and the person requesting will process a requisition.

With Perkins funds, bids will be solicited for the following areas:

- Auto/Auto Body
- Commercial Art/Visual Communications
- Cosmetology
- Culinary/Baking
- Horticulture
- Marine Biology

Specifications should be typed on appropriate sheets and should include detailed technical descriptions of the items required. Specifications are generally prepared from “cut-sheets.” Inadequate specifications will not be accepted. At least three vendors, with addresses must be provided.

3. STATE CONTRACT PURCHASING: All State Contract purchases are listed for board approval. The vendor must have a valid State Contract, and the State Contract Number must appear on the purchase order. The purchase order should also include a copy of the notice of award, as back up. See attachment for instructions accessing the State Contract website.

Examples of State Contracts:

- Grainger – Include “District Account #819-485-038
Please apply appropriate discount”

- Xerox
- Apple, Inc.

4. ED-DATA PURCHASING:
Current Year procedure: Go to: www.ed-data.com add an Ed-Data requisition, print it out and then create a Systems 3000 requisition using this as your back up documentation. Pricing on their website will change December 1st. These reqs must include the Ed-Data Blurb:
“Pre-bid by Educational Data Services, Vendor Code# _____”

Next Year procedure: Teachers will create Ed-Data requisitions during March. Principals will approve this requisition online, if it does not exceed their proposed budget. The School Business Administrator will review and approve online. The orders will be converted into purchase orders in the Main Office.

5. SOLE SOURCE: These are trademark items or services that cannot be ordered through anyone else but the manufacturer. Items that have equivalents would not be sole source. A Maytag washer would have an equivalent machine, therefore it is not a sole source item. Textbooks generally are sole source items. These purchases require a letter from the vendor stating that they are the Sole Source vendor for this product. The description "Sole Source" must be written in the Print Details of the requisition. This should rarely be used.

Chapter 2 – EMERGENCY ORDERS AND EXTRAORDINARY CONDITIONS

Procedure:

1. EMERGENCY SITUATIONS will be defined as situations in which the operation of a school or program would be seriously hampered. Bidding may be circumvented in the case of an emergency. An emergency is not created as a result of inadequate planning, delay, failure to take into account construction season or for administrative convenience. An emergency is a situation affecting the health and safety of occupants of school property that requires the immediate delivery of articles or performance of service to alleviate the emergency. An emergency can only be declared after notice is made to the Superintendent and the School Business Administrator. Emergency purchases are listed with Executive County Superintendent and approved at the next regular public meeting of the board.
2. EXTRAORDINARY CONDITIONS will be defined as conditions which are not known until after an operation has begun, which required unanticipated parts, equipment or materials to be obtained in order for the operation to be completed.
3. Under the conditions defined as emergency or extraordinary in nature, the appropriate Central Office Administrator may request an emergency purchase order by contacting the School Business Administrator immediately with all correct information and provided there is enough unencumbered balance in the account to cover the amount of the purchase order. This type of purchase order will be immediately processed.

SECTION VI – PURCHASING
VI-3.1

Chapter 3 – PURCHASE ORDER FORM

Purchase orders, (POs) are sequentially numbered by the computer and blank purchase orders are kept the storage room. POs cannot not be printed until the requisition has been approved at four administrative levels. The Accounts Payable personnel are the only people with access to print purchase orders. The Board Office is locked at night.

Chapter 4 – SCHOOL DISTRICT TRAVEL EXPENDITURES

1. Requests for travel must be submitted to the Superintendent on a Professional Development Request Form, prior to the travel date(s) and at least ten (10) days before a board meeting. The request shall include supporting documentation to include a statement outlining the primary purpose for the travel and key issues that will be addressed and their relevance to improving instruction or the operation of the district. Additionally, the documentation must include the type of travel; location, date(s) of travel; and all related costs including transportation expenses, parking, tolls, lodging, meals, and other expenses. Lodging will only be paid at the Federal GSA (General Service Administration) rate. Lodging will only be provided if the event occurs on two or more consecutive days and where home to event commute exceeds 50 miles. The individual must reimburse the board the difference for any amount that exceeds that rate.
2. The Superintendent shall review and may approve or deny each request for travel expense. The Superintendent's signature designating approval is required on the request for travel reimbursement.
3. All requests for travel approved by the Superintendent of Schools shall be forwarded to the School Business Administrator, or designee, to determine if the expenses as outlined in the request are in compliance with the New Jersey travel reimbursement guidelines as established by N.J.A.C. 6A:23A.7. All travel requests must be board approved prior to the travel/event.
 - a. Professional development travel is reimbursable upon receipt of attendance, and is paid at the end of the school year. It must follow the procedures detailed above. The district reimburses for registration fees and mileage, if their Principal recommended the professional development to the staff member. If the staff member chose to attend on his own, mileage would not be reimbursable.
 - b. Attendance at conferences must follow the procedures detailed above. The district reimburses the attendee based on the OMG guidelines. Hotel arrangements are made by the Executive Secretary to the Superintendent. Airfare is reimbursed upon return.
4. Board members, officers and designated employees of the district who register for conferences, workshops, or other professional growth and development activities, but fail to attend without proper notification, shall be responsible for reimbursing the board for all incurred expenses. Exceptions caused by extenuating circumstances may be granted at the board's discretion.
5. District travel expenditures **shall not include** costs for the following:
 - a. Subsistence reimbursement for one-day trips.

- b. Car rentals, limousine services, reverse telephone charges or entertainment costs.
 - c. Airfare without documentation of quotes from at least three airlines and/or travel agencies and/or online services.
6. Out-of-state travel:
- a. Pursuant to N.J.S.A. 18A:11-12, out-of-state travel shall be limited to the fewest number of board members or affected employees needed to acquire and present the content offered to all Board members or staff, as applicable, at the conclusion of the event. Lodging may only be provided if the event occurs on two or more consecutive days and where home to event commute exceeds 50 miles.
 - b. Where a travel event has a total cost that exceeds \$5,000.00, regardless of the number of attendees, or where more than three individuals from the district are to attend, the district shall obtain the prior written approval of the Executive County Superintendent.

Chapter 5 – REIMBURSEMENT FOR MILEAGE

1. Staff must be board approved in order to receive mileage reimbursement.
2. Staff must use the Mileage Reimbursement Form to be reimbursed for all appropriate travel. This form is available on the district website.
3. Staff members who are assigned duties in more than one building may be compensated for mileage. For travel between schools, mileage will be reimbursed based on the State-approved rate or the IRS rate, as appropriate.
4. Final travel and mileage forms for June will be turned into the Business Office no later than the last day of the school year.

Chapter 6 – LEGAL SERVICES

1. In order to help minimize the cost of legal services, the board will authorize the designated persons, the Superintendent, the School Business Administrator or the Assistant Superintendent to contact legal counsel. The designated persons shall ensure that contacted 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 anyone other than the three 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 legal advice or if the information can be obtained elsewhere.
3. A log of all legal counsel contacts will be maintained by the designated person(s) and will include: the name of legal counsel contacted, date of contact, issue discussed and length of contact. Legal bills shall be compared to the contact log and any variances shall be investigated and resolved.
4. 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 contact
 - c. Invoices for payment shall itemize the services provided for the billing period
 - d. Payment shall only be for services actually provided

SECTION VII – FACILITIES INCLUDING ADMINISTRATION OF
WORK, HEALTH & SAFETY
VII-1.1

Chapter 1 – ADEQUATE FACILITIES

Purpose: The board 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:

1. The Principal is responsible for overseeing the custodian(s) in their building. Maintenance is coordinated through the Supervisor of Buildings and Grounds. Any issues beyond routine cleaning and maintenance should be communicated to the Supervisor of Buildings and Grounds and/or the School Business Administrator.
2. Exterminator services are scheduled and coordinated by the Principal upon approval of the School Business Administrator. These services are to rid the building of rodents, insects and other pests in accordance with the district's Integrated Pest Management Plan. The Principal needs to notify the Supervisor of Buildings and Grounds when services are needed.
3. 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.
4. Trash collection is provided by contract and is under the supervision of the Supervisor of Buildings and Grounds. It is collected on a regularly scheduled basis.
5. The district shall maintain its Chemical Hygiene Plan. Chemicals, oils, paints, radioactive materials or other hazardous waste should not be disposed of in trash or waste water collection systems. If you have questions regarding the storage or disposal of these materials, contact the Supervisor of Buildings and Grounds.
6. 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. The district will provide training on Right-to-Know regulations to all new employees. Retraining will also be provided as required.
7. All accidents will be reported to the central office on the appropriate district approved form. The accident form will be forwarded to the district insurance carrier by the School Business Administrator in accordance with the district's risk management procedures.
8. The district shall maintain its AHERA management plan and ensure that it is updated every three years.

9. The district shall ensure that annual inspections are performed on the fire alarm system. It shall also conduct monthly inspections of all fire extinguishers.
10. The district shall conduct all required tests and inspections to ensure that all water coming from the well is potable.
11. The district will ensure that either a properly licensed person is on staff or that a professional firm is hired to ensure that all required DEP reports are filed as required.
12. 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.
13. 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.
14. 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.
15. 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.
16. The district shall comply with all OSHA and PEOSHA requirements.

SECTION VII – FACILITIES INCLUDING ADMINISTRATION OF
WORK, HEALTH & SAFETY
VII-2.1

Chapter 2 –MAINTENANCE AND REPAIR

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 district employee wants to request a repair or an enhancement from the Maintenance Department, they should put their request in writing to their principal. Upon the Principal's approval, the building secretary will input a work order or maintenance request into the School Dude work order system.

Prioritization:

The work orders will be performed in the following priority order, as determined by the Director of Buildings and Grounds:

1. Emergency – An emergency is a situation that poses an imminent threat to the health or safety of occupants of school property that requires the immediate delivery of goods or the performance of services. Normal purchasing procedures may be waived in the event of an emergency.
 - a. An actual or imminent emergency must exist requiring the immediate delivery of the goods or the performance of the service.
 - b. Within three days, the Superintendent shall inform the Executive County Superintendent of the nature of the emergency and the estimated needs to respond to it.
 - c. The emergency purchasing procedures may not be used unless the need for the goods or the services could not have been reasonably foreseen.
 - d. The contract shall only cover the necessary tasks to alleviate the emergency.
2. 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.
3. High – A work order should be categorized as high if the situation is in violation of laws or regulations or board policy. Examples would include broken heaters or air conditioners in violation of "Indoor Air Quality" rules or PEOSHA requirements.
4. 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.
5. Low – A work order should be categorized as low for requests that are new items, such as a new shelf.

VII-2.2

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

The Maintenance staff will obtain their work orders from their home school. The staff will not interfere with assignments of the Maintenance staff.

Chapter 1 – SECURITY

Purpose: The board 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:

1. Buildings and Grounds Security
 - a. The Supervisor of Building and Grounds and staff are responsible for buildings and grounds security.
 - b. All exterior building doors shall be locked at all times. Doors will be unlocked for student admittance during bus arrival times only.
 - c. Staff members shall not prop doors open for any reason.
 - d. In the evening, all doors shall be locked except those where access is required for evening school, public meetings, or facility use events.
2. Visitors/Deliveries
 - a. All visitors during the school day will be permitted access to the building only through the main school office.
 - b. Outside deliveries shall be accepted only at main school office.
 - c. Deliveries to loading area shall be permitted only after driver has checked into the main school office and a staff member has been assigned to oversee the delivery.

SECTION IX – EMERGENCY PREPAREDNESS
IX-1.1

Chapter 1 – 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 office cabinet. 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. Intruder with gun
 - d. Weather
 - e. Earthquakes
 - f. Intruder/Fights
 - g. Shooting
 - h. Sexual Battery

The quick reference guide shall be distributed to each staff member.

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 Emergency Management Team.
 5. Training on the Emergency Management Plan shall be conducted annually.

Chapter 1 – 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 that must be cultivated and reinforced.

Procedure:

[To be added]

Chapter 2 – REPORT OF INJURIES

STAFF INJURIES:

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 Principal/Supervisor within 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 **EMPLOYEE INJURY Form**.

The employee will speak to a nurse who will obtain detailed information and make the arrangements for treatment. If further specialized treatment is needed, it must be approved by the board's Workers' Compensation physician, who will refer the employee to a specialist for this treatment. Failure to go to the board's physician will result in a possible rejection of the claim. The board's Workers' Compensation physician or the referred physician will determine when the employee may return to work. The report will be given immediately to the assigned Principal/Supervisor for review and signature and sent to the Business Office.

If the accident or injury is an emergency, the employee may be treated at the nearest hospital and report the accident as soon as possible to their Principal/Supervisor. Employee should instruct the hospital, doctor or pharmacy to forward all bills to Business Office (Workers' Compensation Claims). It is NOT recommended that the employee use his/her personal insurance card as this will complicate and delay the prompt payment of any medical bills.

After examination or treatment by the Workers' Compensation physician, emergency doctor or referred doctor, the employee must report back to work with a return-to-work form.

LITIGATION/LIABILITY:

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

INJURIES TO VISITORS ON THE PREMISES:

For injuries to visitors in the building or on the premises (day or evening), the same procedure should be followed as for injuries to pupils, except the Office of the School 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 to a staff member or student.

SECTION X– RISK MANAGEMENT
X-3.1

Chapter 3 – RECORDING OF DAYS ABSENT DUE TO INJURY/ACCIDENT

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.

Chapter 4 – PERSONAL ITEMS

1. 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. The district strongly discourages teaching staff to bring in personal laptops from home. In bringing equipment or other items to school, the employee does so at his/her own risk.
2. The school also is not responsible for damage to vehicles while parking on school property. When parking on school property, the employee assumes the risk for any damage that may occur.

Chapter 1 – VEHICLE TRACKING

1. The Superintendent's Secretary 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
 - i. The usage category such as regular business or maintenance
2. 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, if applicable
 - e. Incidents of improper or non-business usage, if applicable
 - f. Accidents, if applicable
 - g. Other relevant information
3. A record of maintenance, repair and body work for each district vehicle including:
- a. The maintenance schedule
 - b. The category of work performed
 - c. The mileage on the date work was performed
 - d. The cost of the work performed

Chapter 2 – 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 district for pool use according to the following classifications:
 - a. Vehicles may be assigned permanently and individually to the Superintendent, School Business Administrator, Supervisor of Buildings and Grounds, or other supervisory employees who, based on their job duties, may be spread across the district. No individual assignment shall be made for the primary purpose of commuting.
 - b. 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 district shall ensure that an appropriate employee is assigned the functions of district vehicle coordinator.
5. 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.
6. All complaints of a potential misuse shall be investigated and appropriate disciplinary action taken.
7. The district vehicle shall be used primarily for business purposes; however, incidental and de minimis personal use is permitted.
8. All damage to district vehicles, regardless of cause, shall be reported within 24 hours to the Superintendent's Office.

9. No physical alterations shall be made to a vehicle without prior approval by the School Business Administrator or Superintendent.
10. Drivers of district vehicles shall possess and maintain a valid driver's license to operate a vehicle in New Jersey.
11. When a vehicle is due for routine maintenance, the vehicle coordinator shall coordinate the service with the driver.
12. A driver assigned a district vehicle shall be responsible for the security of the vehicle and its contents.
13. Drivers shall be personally responsible for all fines accrued as a result of traffic violation related to operation of district vehicles.
14. 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 Superintendent's Office.
15. 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 Superintendent's Office.
16. 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. Operation of a vehicle while impaired to any degree, or under the influence of alcohol or narcotics as defined by State statutes

- f. Use of a district vehicle by an unauthorized individual while assigned to an employee.
 - g. Use of a district vehicle to transport any person or child, other than in the course of their assigned duties and responsibilities.
 - h. Use of radar detectors in district vehicles.
17. The board shall establish a policy for progressive, uniform, and mandatory disciplinary actions to be applied as necessary.

Chapter 1 – FOOD SERVICE

Purpose: The board recognizes that food service is required for the promotion of education. The board has the responsibility to provide food services to all full-time students.

Procedure:

1. Before the beginning of each school year, the School Business Administrator or designee files the appropriate paperwork with the Bureau of Child Nutrition to participate in the Free and Reduced Meal Program for district schools eligible to participate.
2. Students eligible for TANF and/or Food Stamps may be directly certified by the State. In these cases, the district sends a letter to the household and notifies them of their child's lunch status before school begins. In these instances, no lunch applications need to be filled out.
3. Upon registration, new students are given applications for free and reduced meals.
4. The Principal's secretary provides applications for free and reduced meals to each student before the opening of school. Completed applications are forwarded to the Business Office
5. The Business Office determines eligibility in accordance with applicable regulations established by the Department of Agriculture. After determination, letters are sent to all applicants advising them of their status (i.e. free, reduced or denied). All applications are maintained in the central office as required by the State.
6. A master eligibility must be completed and is maintained by Business Office Secretary. This is a comprehensive list of all students who filed an application and indicates their status as free, reduced or denied. The master eligibility list is maintained for each school (location) as well as district-wide as required per regulations.
7. Per regulation, a Civil Rights Compliance is completed each year. Using the October 15th student data, lists are maintained by school, broken down by ethnic group and further broken down by status of free, reduced and denied.
8. By November 15th, the required percentage of applications deemed eligible for free and reduced are verified. These applications are chosen at random and applicants are asked to provide name and social security number for each adult listed on the application as well as proof of income.
9. Deposits are prepared daily by school and reconciled to the register tapes by the appropriate personnel.

10. Each year, the board sets prices for food services. Every effort is made to set prices that are affordable for students, but enable the food services to operate without contribution from board funds.
11. Each month, Food Service Management Company personnel enter meal counts into the Department of Agriculture meal reimbursement system in SNEARS (School Nutrition Electronic Application System). These meal counts are then verified by the Business office and then Certified so that State reimbursement can be made.
12. The district shall participate in the commodities program offered by the New Jersey Department of Agriculture.

Chapter 2 – END-OF-YEAR PROCEDURE

Purpose: To assure delivery and acceptance prior to June 30 for budgeted goods and services.

Procedure:

The deadline for ordering items from the current operating budget is March 1, unless an earlier date is set by the Superintendent. Exceptions to this will be as follows:

1. Principal's Miscellaneous Account
2. Emergency end-of-year supplies
3. End-of-year activities such as field days, graduation, after-school programs, assemblies and workshop/in services
4. Contractual responsibilities
5. State and federally funded programs
6. Maintenance and custodial supplies necessary for building safety
7. Repair services for instructional and non-instructional equipment

SECTION XIII– TECHNOLOGY SYSTEMS
XIII-1.1

Chapter 1 – 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 servers will be secured either by electronic door entry systems (card swipes or proximity cards) or by mechanical means (locks). Access to these areas should be restricted to authorized personnel only.
 - a. Keys or cards 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. A log should be kept of any visitors to the secure area with name, date, time entered, time exited and purpose of visit.
2. Rooms or areas that house large amounts of computer or technology equipment (including server rooms, switch closets and computer labs) should have environmental controls to ensure the proper heating, cooling, ventilation, and dehumidification is provided. Environmental controls should be monitored with a system to report environmental alarms.
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.

- d. District should track cost of replacement on all technology equipment valued above \$500.00.
- 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.
- 6. Media, such as disks, tapes and other output should be protected in locked areas or cabinets. Media that is utilized for back-up of information, applications or systems should be held in another area, building or in a fire-rated cabinet. Aging media should be transferred to a current technology.

SECTION XIII– TECHNOLOGY SYSTEMS
XIII–2.1

Chapter 2 – 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 should be “hardened” passwords and should be at least eight digits long, requiring upper and lower cases, numbers, and special characters. Passwords should not be “real” words or names of family, friends, pets, etc.
 - c. Passwords for network access should be forced to be changed periodically.
 - d. Passwords for applications should be changed periodically.
 - e. Passwords should be user generated and not stored whenever possible, with only reset ability housed at the technology department level.
 - f. Passwords should not be repeated for network access and application access, particularly the student information system.
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. This should include a written (or electronic) request form that is authorized by central administration. This authorization should include the name of the individual, the applications and network services to be granted access to and the level of security in each.
 - b. Systems that employ automatic account/password creation should be monitored regularly to ensure software functionality.
 - c. Access to district wide public folders should be restricted based on user role.

Chapter 3 – SYSTEMS SOFTWARE

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 School 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, backup 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.
2. For existing applications and systems software, a listing should be created and maintained and submitted by the technology department for periodic review by central administration. The list should include:
 - a. Hardware utilized, including name of server or location of software or application
 - b. Summarized description of user
 - c. Number of users
 - d. Licensing information, including expiration dates

- e. Application owner responsible for user authorities
- f. Date of original purchase and dates of updated purchases.
- g. Version information
- h. Vendor contact information

Chapter 4 – PROTECTING NETWORK FROM INTERNET DANGERS

Purpose: 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 and intrusion prevention measures 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 is 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 WPA2 or higher grade 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

Chapter 5 – PROTECTING NETWORK FROM INTERNAL DANGERS

Purpose: 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. There should be a form that requires signatures and sign-off by the technology staff that has completed the tasks.
3. Access to the campus network is only permitted using district-owned technology tools. Personal computers are not allowed to be brought onto, or connected to networks on any district campus.
4. The district will maintain logs of all users and access levels for all systems applications. Application administrators will maintain logs of all user and access levels for all applications.
5. 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.
6. All application access will be reviewed periodically for discrepancies in the user roles and the access to sensitive information.

Chapter 6 – 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 for a minimum of thirty days, maximum of one year, depending on the type of message. Non-Record Email Messages and Transient Messages will be stored for a period of thirty days. Official Record Email Messages will be archived in near-line Storage for a period of three years.
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 setup network policies to block any electronic instant messaging/chat program that cannot be monitored/archived.
7. District will archive all inbound and outbound instant messaging communications.

Chapter 7 – 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 regularly to ensure recording quality, reliability, and ability to retrieve information.

SECTION XIII– TECHNOLOGY SYSTEMS
XIII-8.1

Chapter 8 – 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, software or network based “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. Technology staff will conduct regular maintenance of the “proxy” filter.

Chapter 9 – 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.

SECTION XIII– TECHNOLOGY SYSTEMS
XIII-10.1

Chapter 10 – MAINTENANCE AND COMPUTER WORK ORDER SYSTEM

[To be added]

SECTION XIII– TECHNOLOGY SYSTEMS
XIII-11.1

Chapter 11 – PHYSICAL SECURITY OVER TECHNOLOGY EQUIPMENT

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 servers will be secured either by electronic door entry systems (card swipes or proximity cards) or by mechanical means (locks). Access to these areas should be restricted to authorized personnel only.
 - a. Keys or cards 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. A log should be kept of any visitors to the secure area with name, date, time entered, time exited and purpose of visit.
2. Rooms or areas that house large amounts of computer or technology equipment (including server rooms, switch closets and computer labs) should have environmental controls to ensure the proper heating, cooling, ventilation, and dehumidification is provided. Environmental controls should be monitored with a system to report environmental alarms.
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. Software clients can be used to track inventory of computer-based assets. Updates of software clients should be made on a regular basis.
 - d. Inventory should be kept of computer related parts, supplies, consumables, and peripherals.
 - e. District should track cost of replacement on all technology equipment valued above \$500.00.
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.
6. Media, such as disks, tape and other output should be protected in locked areas or cabinets. Media that is utilized for backup of information, applications or systems should be held in another area, building or in a fire-rated cabinet. Aging media should be transferred to a current technology.

SECTION XIV– INFORMATION MANAGEMENT
XIV-1.1

Chapter 1 – ACCEPTABLE USE OF DISTRICT’S 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 will establish a policy that informs all users of the district’s data, systems and information of the acceptable and non-acceptable uses of those district assets. The policy should identify students, staff, parents and guardians, and other users who may have access to the district’s data, systems and information.
2. The board will adopt 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 should be reviewed annually for changes in the types of information used and in the types of technology used.

SECTION XIV– INFORMATION MANAGEMENT
XIV-2.1

Chapter 2 – SECURING OF SENSITIVE MANUAL (WRITTEN OR PAPER) INFORMATION

Purpose: To ensure that sensitive information is proper handled and limit the potential exposure of information from being obtained through the district.

Procedure:

1. The Superintendent and School 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, phone number, social security number, marital or guardian status, garnishment information, health related information, free and reduced lunch status and disciplinary information.
2. Sensitive information should be housed in a locked cabinet or behind locked doors or secure network access.
 - a. Access to keys are restricted to personnel authorized to view the information. Keys should have “do not duplicate” on them and copies should be prohibited, except on recommendation by the Supervisor of Buildings and Grounds and approval by the School Business Administrator.
 - 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.
3. Original sensitive information files, should be housed in a fire-rated cabinet, where possible.
4. 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.

SECTION XIV – INFORMATION MANAGEMENT
XIV-3.1

Chapter 3 – PUBLIC RIGHT OF INSPECTION, COPIES AND FEES

1. Except as otherwise provided in N.J.S.A. 47:1A-1 et seq. or by any other statute, resolution of either or both houses of the Legislature, executive order of the Governor, rule of court, any Federal law, regulation or order, or by any regulation promulgated under the authority of any statute or executive order of the Governor, all records which are required by law to be made, maintained or kept on file by the Board, or by any official acting for or on behalf thereof will be deemed to be public records. Every citizen of this State, during the regular business hours maintained by the custodian of government records, has the right to inspect such records.
2. Every citizen of this State also has the right, during such regular business hours and under the supervision of a representative of the custodian, to copy such records by hand, and will also have the right to purchase copies of such records.
3. Copies of records will be made available upon the payment of such price as established below:

Pages 1 through 10	\$.75 per page
Pages 11 through 20	\$.50 per page
All pages over page 20	\$.25 per page

In addition, any copying request which will exceed \$100.00 must be paid in advance with either cash, a money order, a certified check or bank check.

APPENDIX

ASSA REPORTING

The information for the Application for State School Aid (ASSA) is generated through and completed by the Director of Pupil Personnel. In September, a memo is sent out to all Principals/Supervisors from the Assistant Superintendent 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	Person Responsible	Documentation
Student's on roll – full and shared	Principal	Attendance registers maintained by Principal's Secretary

APPENDIX

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 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 that 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 that 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 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 that 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 intends to hold or continue to use over a long period of time and costs over \$500.00 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 that 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.

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 that the board 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 that the expenditure provides for the respective purposes or programs for which the accounts were established.

PURCHASE ORDER - A written contract 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 - Services rendered by personnel who are not on the payroll of the board.

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 that 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 computerized request to the School Business Administrator for specified articles or services. Upon approval by the School Business Administrator, the requisition becomes a Purchase Order.

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, 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. It 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.

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 that authorizes the payment of money and usually indicates the accounts to be charged.

APPENDIX

RETENTION OF RECORDS

1. No material which qualifies as a record or document may be destroyed without the prior approval of the Department of Archived Records (DARM).
2. All requests for document disposal must be submitted to the School Business Administrator.
3. The School Business Administrator or designee will forward all requests to the State for approval.
4. Questions concerning the disposition of records should be directed to the School Business Administrator.