

ASSEMBLY, No. 2820

STATE OF NEW JERSEY

INTRODUCED MARCH 20, 1997

By Assemblymen ROCCO and DeSOPO

1 AN ACT concerning the treasurer of school moneys and revising and
2 repealing parts of the statutory law.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. N.J.S.18A:17-31 is amended to read as follows:

8 18A:17-31. The treasurer of school moneys of each school district
9 [which does not contain more than one municipality shall be the
10 custodian of the moneys of the municipality unless the board of
11 education shall designate the tax collector of the municipality;
12 provided, however, that if both the custodian of moneys of the
13 municipality and the tax collector of the municipality submit written
14 notifications to the board that they do not wish to serve as treasurer
15 of school moneys, the board shall appoint any other suitable person
16 except a member or employee of the board, with a term of office fixed
17 by the board as such treasurer. If the school district contains more
18 than one municipality, the person designated by law as the custodian
19 of the moneys of the constituent municipality having the largest
20 amount of taxable property shall be treasurer of the school moneys of
21 the district unless and until the board shall appoint any other suitable
22 person except a member or employee of the board and fix his term of
23 office. Any municipal officer acting or designated as treasurer of
24 school moneys who ceases to be such officer shall thereupon cease to
25 be such treasurer] shall be any suitable person who possesses at least
26 one of the following certificates or licenses: Certified Tax Collector;
27 Certified Municipal Finance Officer; School Business Administrator;
28 Certified Public Accountant; or who possesses a Bachelor's degree in
29 accounting or other related field. The board of education may waive
30 this requirement for a certificate, license or degree for a person who
31 is employed as the treasurer of school moneys on the effective date of
32 P.L. __, c. (C.)(now pending before the Legislature as this bill).
33 No person employed as a treasurer of school moneys shall hold any
34 other position of employment with the same school district. The board

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 of education shall fix the term of employment of the treasurer of
2 school moneys.

3 (cf: P.L.1981, c.174, s.4).

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5 2. N.J.S.18A:17-34 is amended to read as follows:

6 18A:17-34. The treasurer, board secretary or school business
7 administrator shall receive and hold in trust all school moneys
8 belonging to the district from whatever source derived free of any
9 control by the governing body of any municipality comprised in said
10 district, except such moneys as are derived from athletic events or
11 other activities of pupil organizations of the district, and he shall, when
12 required by resolution of the board, deposit the same or such part
13 thereof as may be designated in any bank or banking institution of this
14 State designated by it as a depository of school moneys, which may
15 include the State of New Jersey Cash Management Fund, created
16 pursuant to section 1 of P.L.1977, c.281 (C.52:18A-90.4), and
17 thereafter school moneys shall be deposited only in the depository or
18 any of the depositories so named and [the treasurer] he shall, upon
19 depositing the same therein, be relieved from liability for any loss
20 thereof which may be caused by reason of such deposit.

21 (cf: P.L.1981, c.174, s.7)

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23 3. N.J.S.18A:19-1 is amended to read as follows:

24 18A:19-1. The money or funds of the board [in the custody of the
25 treasurer of school moneys] shall be expended [by such treasurer by,
26 and] only by[,]warrants, each made payable to the order of the person
27 entitled to receive the amount thereof and specifying the object for
28 which it is issued, and signed by the president and secretary of the
29 board [and by such treasurer of school moneys],

30 (a) After audit of the account or demand to be paid, by the
31 secretary, and after approval by the board, or

32 (b) In accordance with payrolls duly certified as provided by this
33 title, or

34 (c) For debt service, or

35 (d) When provided by resolution of the board, after audit of the
36 account or demand to be paid, and approval by a person designated by
37 the board.

38 (cf: P.L.1982, c.196, s.1)

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40 4. N.J.S.18A:19-2 is amended to read as follows:

41 18A:19-2. No claim or demand against a school district shall be
42 paid [by the treasurer] unless it is authorized by law and the rules of
43 the board of education of the district, is fully itemized and verified, has
44 been duly audited as required by law, has been presented to, and
45 approved by, the board at a meeting thereof, or presented to, and
46 approved by, a person designated by the board for that purpose, and

1 the amount required to pay the same is available for said purpose.
2 (cf: P.L.1982, c.196, s.2)

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4 5. N.J.S.18A:19-4 is amended to read as follows:

5 18A:19-4. All claims and demands against the board, except such
6 as are to be paid from funds derived from athletic events or other
7 activities of pupil organizations, shall, unless otherwise provided by
8 resolution of the board, be examined, audited and certified in writing
9 by the secretary and presented by him to the board for its approval at
10 a regularly called meeting, and if found to be correct, shall be ordered
11 paid by the board, whereupon the secretary and the president of the
12 board shall issue and sign a warrant in payment therefor. [The
13 secretary thereupon shall forward such warrant to the treasurer of
14 school moneys of the district.]

15 (cf: P.L.1982, c.196, s.3)

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17 6. N.J.S.18A:19-9 is amended to read as follows:

18 18A:19-9. Payment of the compensation of teachers and other
19 employees may be made on the basis of payrolls certified by the
20 president and secretary of the board, stating the names and amounts
21 to be paid to each, and [delivered to the treasurer of school moneys]
22 with a warrant [made to his order] for the full amount of each payroll.

23 (cf: P.L.1981, c.174, s.13)

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25 7. N.J.S.18A:19-10 is amended to read as follows:

26 18A:19-10. The [treasurer] board shall [deposit] cause the
27 warrants to be deposited in a separate bank account as a payroll
28 account and payment shall be made to the teachers and others entitled
29 thereto by individual checks drawn to their respective orders upon
30 such account.

31 (cf: P.L.1981, c.174, s.14)

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33 8. N.J.S.18A:19-12 is amended to read as follows:

34 18A:19-12. When a warrant for the payment of current expenses
35 of a public school is drawn and issued and there are no funds for
36 payment of the same, the warrant shall bear legal interest until such
37 time as the [treasurer] board secretary gives public notice of the fact
38 that funds are provided for the payment thereof.

39 (cf: P.L.1981, c.174, s.16)

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41 9. (New section) The treasurer shall directly receive bank account
42 statements for all school cash accounts maintained in the governmental
43 fund types as defined by generally accepted accounting principles for
44 governmental entities. The treasurer shall perform an independent
45 reconciliation of these bank accounts on a timely basis and reconcile
46 the balances for each bank statement to the school district general

1 ledger and subsidiary records. The treasurer shall render these
2 reconciliations to the board monthly in the manner and form prescribed
3 by the commissioner. The treasurer shall turn over all bank statements
4 and enclosures to the school business administrator once the
5 reconciliation reports have been completed and submitted.

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7 10. The following sections are repealed:

8 N.J.S.18A:17-35

9 N.J.S.18A:17-36

10 N.J.S.18A:19-11

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12 11. This act shall take effect immediately.

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15 STATEMENT

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17 This bill revises the duties of the Treasurer of School Moneys to
18 make them more consistent with recent accounting changes and with
19 modern banking technology. The bill permits any qualified individual
20 to serve as treasurer who possesses at least one of the following
21 certificates or licenses: Certified Tax Collector; Certified Municipal
22 Finance Officer; School Business Administrator; Certified Public
23 Accountant; or who possesses a Bachelor's degree in accounting or
24 other related field. The board of education may waive the
25 qualification requirement for a current employee. Under the bill, the
26 treasurer would be prohibited from holding any other position in the
27 school district. In addition, the bill removes the requirement that the
28 treasurer deposit all funds and sign all board warrants and payroll
29 checks. It also changes the duties of the treasurer from a bank
30 reconciliation and account balance verification function to solely a
31 bank reconciliation function.

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36 Revises duties of the Treasurer of School Moneys.