[First Reprint]

SENATE, No. 122

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senator PALAIA

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

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

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

18A:17-31. The treasurer of school moneys of each school district **[**which does not contain more than one municipality shall be the custodian of the moneys of the municipality unless the board of education shall designate the tax collector of the municipality; provided, however, that if both the custodian of moneys of the municipality and the tax collector of the municipality submit written notifications to the board that they do not wish to serve as treasurer of school moneys, the board shall appoint any other suitable person except a member or employee of the board, with a term of office fixed by the board as such treasurer. If the school district contains more than one municipality, the person designated by law as the custodian of the moneys of the constituent municipality having the largest amount of taxable property shall be treasurer of the school moneys of the district unless and until the board shall appoint any other suitable person except a member or employee of the board and fix his term of office. Any municipal officer acting or designated as treasurer of school moneys who ceases to be such officer shall thereupon cease to be such treasurer**]** shall be any suitable person who possesses at least one of the following certificates or licenses: Certified Tax Collector; Certified Municipal Finance Officer; School Business Administrator; Certified Public Accountant; or who possesses a Bachelor's degree in accounting or other related field. No person employed as a treasurer of school moneys shall hold any other position of employment with the

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.
Matter enclosed in superscript numerals has been adopted as follows:
[1] Senate SED committee amendments adopted February 10, 1997.

same school district. The board of education shall fix the term of employment of the treasurer of school moneys.
(cf: P.L.1981, c.174, s.4).

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

18A:17-34. The treasurer, board secretary or school business administrator shall receive and hold in trust all school moneys belonging to the district from whatever source derived free of any control by the governing body of any municipality comprised in said district, except such moneys as are derived from athletic events, food service operations [1]provided by a contracted vendor[1], or other activities of pupil organizations of the district, and he shall, when required by resolution of the board, deposit the same or such part thereof as may be designated in any bank or banking institution of this State designated by it as a depository of school moneys, which may include the State of New Jersey Cash Management Fund, created pursuant to section 1 of P.L.1977,c. 281 (C. 52:18A-90.4), and thereafter school moneys shall be deposited only in the depository or any of the depositories so named and **[**the treasurer**]** he shall, upon depositing the same therein, be relieved from liability for any loss thereof which may be caused by reason of such deposit.
(cf: P.L.1981, c.174, s.7)

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

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

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

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

(c) For debt service, or

(d) When provided by resolution of the board, after audit of the account or demand to be paid, and approval by a person designated by the board.
(cf: P.L.1982, c.196, s.1)

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

18A:19-2. No claim or demand against a school district shall be paid **[**by the treasurer**]** unless it is authorized by law and the rules of the board of education of the district, is fully itemized and verified, has been duly audited as required by law, has been presented to, and

approved by, the board at a meeting thereof, or presented to, and approved by, a person designated by the board for that purpose, and the amount required to pay the same is available for said purpose.
(cf: P.L.1982, c.196, s.2)

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

18A:19-4. All claims and demands against the board, except such as are to be paid from funds derived from athletic events or other activities of pupil organizations, shall, unless otherwise provided by resolution of the board, be examined, audited and certified in writing by the secretary and presented by him to the board for its approval at a regularly called meeting, and if found to be correct, shall be ordered paid by the board, whereupon the secretary and the president of the board shall issue and sign a warrant in payment therefor. **[**The secretary thereupon shall forward such warrant to the treasurer of school moneys of the district.**]**
(cf: P.L.1982, c.196, s.3)

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

18A:19-9. Payment of the compensation of teachers and other employees may be made on the basis of payrolls certified by the president and secretary of the board, stating the names and amounts to be paid to each, and **[**delivered to the treasurer of school moneys**]** with a warrant **[**made to his order**]** for the full amount of each payroll.
(cf: P.L.1981, c.174, s.13)

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

18A:19-10. The **[**treasurer**]** <u>board</u> shall **[**deposit**]** <u>cause</u> the warrants <u>to be deposited</u> in a separate bank account as a payroll account and payment shall be made to the teachers and others entitled thereto by individual checks drawn to their respective orders upon such account.
(cf:P.L.1981, c.174, s.14)

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

18A:19-12. When a warrant for the payment of current expenses of a public school is drawn and issued and there are no funds for payment of the same, the warrant shall bear legal interest until such time as the **[**treasurer**]** <u>board secretary</u> gives public notice of the fact that funds are provided for the payment thereof.
(cf: P.L.1981, c.174, s.16)

9. (New section) The treasurer shall directly receive bank account statements for all school cash accounts maintained in the governmental fund types as defined by generally accepted accounting principles for governmental entities. The treasurer shall perform an independent

reconciliation of these bank accounts on a timely basis and reconcile the balances for each bank statement to the school district general ledger and subsidiary records. The treasurer shall render these reconciliations to the board monthly in the manner and form prescribed by the commissioner. The treasurer shall turn over all bank statements and enclosures to the school business administrator once the reconciliation reports have been completed and submitted.

10. The following sections are repealed:
N.J.S.18A:17-35
N.J.S.18A:17-36
N.J.S.18A:19-11

11. This act shall take effect immediately.

Revises duties of the Treasurer of School Moneys.