

Required
 Local
 Notice

FISCAL MANAGEMENT GOALS

The Board of Education recognizes the importance of fiscal planning as a key factor in attaining the district's educational goals and priorities. The Board seeks to develop budgets that achieve the greatest educational returns given the district's available resources.

The Board's establishment of sound fiscal management policies is based on the following tenets.

1. All laws and regulations governing the use of public funds shall be strictly adhered to.
2. All district monies shall be expended in an efficient and judicious manner.
3. Funds for which the district has no immediate need shall be legally invested.
4. All receipts and expenditures shall be recorded fully and properly.
5. The district shall seek state and federal funds for which it qualifies.
6. All funds, including cash in buildings, extra-classroom account funds, gifts, and bequests shall be provided maximum protection from misappropriation.
7. The budget shall reflect the educational needs and aspirations of the community.
8. To the extent possible, program evaluation shall be used to assess the effectiveness of all educational programs provided to district students, and adjust future appropriations accordingly.

Adoption date: 4/22/10

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BUDGET PLANNING

NOTE: The following is a combination of the district's current policy 1310.101, and NYSSBA's recommended approach.

The Superintendent of Schools, with the assistance of the School Business Official, shall be responsible for preparation of the budget. This shall include developing a budget calendar in accordance with regulation 6110-R, and adhering to that calendar. The budget calendar shall be approved by the Board of Education in advance of the preparation of the district's annual budget. Budget planning will be a year-round process involving participation of district-level administrators, principals, and other staff. The process of budget planning and development will allow for community input and contain numerous opportunities for public information and feedback.

The budget shall be designed to reflect the Board's objectives for the education of the children of the district. It shall be carefully organized and planned to provide adequate accounting for each program expenditure, understanding the financial needs of anticipated program developments, and be within the financial limitations of the district. To assist in budget and long-range planning, ongoing studies of the district's educational programs will include estimates of the cost implications of each program.

The budget for the ensuing school year shall be thoroughly reviewed by the Board before its presentation to the voters for final adoption.

All budget documents for distribution to the public shall be in plain language and organized in a manner which best promotes public comprehension of the contents. Documents shall be complete and accurate, and in compliance with State law and Commissioner's regulations.

Cross-ref: 2260, Citizens Advisory Committees

Ref: Education Law §§1608(2)-(4); 1716(2)-(4); 1804(4); 1906(1); 2002(1); 2003(1); 2004(1); 2022(2); 2601-a
Fiscal Management (NYSSBA, 1997)

Adoption date: 4/22/10

BUDGET HEARING

The Board of Education will hold an Annual Budget Hearing, in accordance with law, so as to inform and present to District residents a detailed written statement regarding the District's estimated expenditures and revenue for the upcoming school year prior to the budget vote which is taken at the Annual District Meeting and Election.

The Budget Hearing will be held not less than seven (7) nor more than fourteen (14) days prior to the Annual District Meeting and Election or Special District Meeting at which the budget vote will occur. The proposed budget will be completed at least seven (7) days prior to the budget hearing at which it is to be presented.

Notice of the date, time and place of the annual budget hearing will be included in the notice of the Annual Meeting and Election and/or Special District Meeting as required by law.

All School District budgets which are submitted for voter approval shall be presented in three (3) components: a program component, an administrative component, and a capital component; and each component will be separately delineated in accordance with law and/or regulation.

The Board of Education will also prepare and append to copies of the proposed budget a School District Report Card, pursuant to the Regulations of the Commissioner of Education, referencing measures of academic and fiscal performance. Additionally, the Board of Education shall also append to copies of the proposed budget a detailed statement of the total compensation to be paid to various administrators as enumerated in law and/or regulation, and a Property Tax Report Card prepared in accordance with law and Commissioner's Regulations.

All budget documents for distribution to the public will be written in plain language and organized in a manner which best promotes public comprehension of the contents.

Dissemination of Budget Information

Copies of the proposed annual operating budget for the succeeding year will be made available during the fourteen (14) days immediately preceding the Annual District Meeting and Election or Special District Meeting at which the budget vote will occur. The availability of this budget information shall be included in the legal notice of the Annual and/or Special District Meeting; and copies of the proposed budget will also be available to District residents at the time of the Annual and/or Special District Meeting. Additionally, the Board will include notice of the availability of copies of the budget at least once during the school year in any District-wide mailing.

Budget Notice

The School District Clerk shall mail a School Budget Notice to all qualified voters of the School District after the date of the Budget Hearing, but no later than six (6) days prior to the Annual Meeting and Election or Special District Meeting at which a school budget vote will occur. The School Budget Notice shall compare the percentage increase or decrease in total spending under the proposed budget over total spending under the School District budget adopted for the current school year, with the percentage increase or decrease in the Consumer Price Index from January first of the prior school year to January first of the current school year.

The Budget Notice shall include a description of how total spending and the tax levy resulting from the proposed budget would compare with a projected contingency budget, assuming that such contingency budget is adopted on the same day as the vote on the proposed budget. Such comparison shall be in total and by component (i.e., program, capital and administrative), and shall include a statement of the assumptions made in estimating the projected contingency budget.

The Notice shall also include, in a manner and format prescribed by the Commissioner of Education, a comparison of the tax savings under the basic school tax relief (STAR) exemption and the increase or decrease in school taxes from the prior year, and the resulting net taxpayer savings for a hypothetical home within the District with a full value of one hundred thousand dollars (\$100,000) under the existing School District budget as compared with such savings under the proposed budget.

The Notice shall also set forth the date, time and place of the school budget vote in the same manner as in the Notice of the Annual Meeting. The School Budget Notice shall be in a form prescribed by the Commissioner of Education. No District funds may be expended to promote either a favorable or negative opinion of the proposed budget.

The Superintendent of Schools and the Board shall approve all information regarding District expenditure submitted to the District voters for approval. The Superintendent shall ensure that any document, newsletter, advertisement or other communication prepared and/or distributed at District expense shall be factual in nature to the best of his/her knowledge, and shall not exhort District voters to vote to approve or disapprove any matter submitted for voter approval.

Notice of Budget Hearing/Availability of Budget Statement:

Education Law Sections 1608(2), 1716(2), 2003(1), 2004(1) and 2601-a(2)

Election and Budget Vote:

Education Law Sections 1804(4), 1906(1), 2002(1), 2017(5), 2017(6), 2022(1) and 2601-a(2)

Budget Development and Attachments:

Education Law Sections 1608(3), 1608(4), 1608(5), 1608(6), 1608(7), 1716(3), 1716(4), 1716(5), 1716(6), 1716(7), 2022(2-a) and 2601-a(3)8 New York Code of Rules and Regulations (NYCRR) Sections 100.2(bb), 170.8 and 170.9

Adopted: 4/22/10

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BUDGET TRANSFERS

The Superintendent, or designee, is authorized to make transfers within each functional unit.

The Superintendent, or designee, is authorized to make transfers between functional unit appropriations provided the aggregate amounts of such transfers do not exceed three thousand dollars (\$3,000) per month.

The Superintendent, or designee, is authorized to make final fund transfers necessary to balance all accounts as of June 30 each year.

Educational Law Section 1718
8 New York Code of Rules & Regulations (NYCRR)
Section 170.2(1)

Adopted: 4/22/10

REVENUES

The Superintendent of Schools is responsible for providing the Board of Education with information about available sources of revenue and the possible benefits to the District of each such source. To provide the best education possible to students within the limits of the resources available, the Board of Education shall:

- a) Request adequate local funds for the District operations. The amount of the local financial support requested, when added to state and federal aid and revenue from all other sources, shall yield sufficient revenue to meet the total expenses of the School District;
- b) Accept all available state funds to which the District is entitled by law or through state regulations to support the programs that the District seeks to offer;
- c) Accept all federal funds that are available providing there is a specific need for them and the local funds that are required to support the particular programs of the District as available; and
- d) Upon the recommendation of the Superintendent, and after careful consideration and review, accept all appropriate special grants or aid.

When in need to borrow money for the district's general financial operations, until such time as tax monies and State aid payments are received, the President and Clerk of the Board, jointly, are authorized to borrow money by revenue or tax anticipation notes as authorized by the Local Finance Law.

Education Law Sections 1604(a) and 1723(a)
Local Finance Law Sections 24 and 25

Adopted: 4/22/10

SCHOOL TAX ASSESSMENT AND COLLECTION

Sufficient local tax revenue shall be raised to meet the requirements of the total school district budget, less an amount equal to all other income sources available to the school district.

After August 1, and following receipt of the final equalization rate and assessment rolls, a tax levy shall be set which will generate that portion of the school district budget requirement to be provided at the local level. Separate tax rates shall be set for each of the townships within the school district. The Board of Education shall approve the tax levy and shall issue a warrant for the collection of taxes.

The Superintendent of Schools, in cooperation with the School Business Administrator, shall set the tax collection schedule for the district. Tax collection shall be accomplished by mail or by direct payment to the place designated by the Board of Education.

Taxes will be collected and applicable penalties applied pursuant to the Real Property Tax Law.

Education Law Sections 2021-2023, and 2130
Real Property Tax Law Article 13

Adopted: 4/22/10

PROPERTY TAX EXEMPTIONS

The Board of Education will grant property tax exemptions, as prescribed by law, including:

- Senior Citizens
- Disabled Citizens
- Volunteer Firefighters and Ambulance Workers

All provision of the Real Property Tax Law will be applied to these exemptions.

Ref: Real Property Tax §§ 459, 466, 467

Adoption date: 4/22/10

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INVESTMENTS

NOTE: The Board must undertake an annual review of the district's investment policy.

The objectives of the district's investment policy are to safeguard district funds and to minimize risk, to ensure that investments mature when cash is required to finance operations and to ensure a competitive rate of return. In accordance with this policy, the Treasurer or his/her designee is authorized to invest and/or deposit all funds, including proceeds of obligations and reserve funds, in time-deposit accounts, certificates of deposit, short-term government securities, repurchase agreements or other investment instruments permitted by law, subject to the investment regulations approved by the Board of Education.

To the extent feasible, investments and deposits shall be made in and through local or regional financial institutions. Diversification of investments and deposits is encouraged. Eligible securities and/or surety bonds used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investments shall be made with judgment and care, under circumstances then prevailing, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

This policy will be annually reviewed by the Board and may be amended from time to time in accordance with the provisions of section 39 of the General Municipal Law.

Ref: Education Law §§1604-a; 1723-a; 3651; 3652
Local Finance Law §§24.00, 25.00, 165.00
General Municipal Law §§6(d), 6(j); 6 (l-n, p, r); 10; 11; 39

Adoption date: 4/22/10

BORROWING OF FUNDS

The School District may borrow money only by means of serial bonds, bond anticipation notes, capital notes, tax anticipation notes, revenue anticipation notes and budget notes.

Local Finance Law Article 2

Adoption Date: 4/22/10

DEPOSITORIES OF FUNDS

District funds shall be deposited only in depositories duly designated by the Board of Education. The designated depositories are required to collateralize all deposits fully.

Education Law Sections 2129 and
2130 (4)
8 New York Code of Rules and
Regulations (NYCRR)
Sections 170.1 and 170.2
General Municipal Law Section
800 et seq.

Adoption Date: 4/22/10

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AUTHORIZED SIGNATURES

The Board of Education authorizes the signature on checks issued against all accounts of the school district to be that of the Treasurer or, in his/her absence, the Deputy Treasurer.

The Board hereby authorizes the use of check signing machines with safeguards for the school district’s protection and with facsimile signatures of the Treasurer and Deputy Treasurer. Said machines shall be maintained in the exclusive and secured possession of the Treasurer and Deputy Treasurer, respectively.

The Treasurer/Deputy Treasurer shall be present and shall control the affixing of his/her signature when checks are run. He or she should maintain a log of checks signed and should verify the sequence of check numbers that are used. The signing of blank checks is expressly forbidden.

Extraclassroom activity fund checks shall be signed by both the Student Activity Accounts Treasurer and the Central Treasurer of the extracurricular activity fund.

Contracts authorized by Board resolution shall be signed by the Board President or in his/her absence the Vice-President, unless a different signatory is identified in the Board resolution. Purchase orders for goods and/or services identified in the various budget codes of the school district budget may be executed by the Purchasing Agent responsible for the procurement of such goods and/or services.

The Board authorizes the payment in advance of audit of claims for all public utility services, postage, freight and express charges, in accordance with law.

Ref: Education Law §§1720; 1724; 2523
8 NYCRR §§170.1(c)(d); 172

Adoption date: 4/22/10

EXPENDITURES OF SCHOOL DISTRICT FUNDS

The Board of Education authorizes the Purchasing Agent to expend school funds as appropriated by approved operational and capital budgets, and by the adoption of special resolutions. He/she will make expenditures in accordance with applicable law and in a manner that will achieve the maximum benefit from each dollar expended.

All claims shall be properly audited before payment by the Claims Auditor who shall attest to the existence of evidence of indebtedness to support the claim.

Complete records of all expenditures shall be maintained for future analysis and reporting within the time frame required by the Records Disposition Law or regulation.

Arts and Cultural Affairs Law
Section 57.19
Education Law Sections 1720 and
2523
8 New York Code of Rules and
Regulations (NYCRR) Section
185

Adoption Date: 4/22/10

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PURCHASING

The Board of Education views purchasing as serving the educational program by providing necessary supplies, equipment and related services. Purchasing will be centralized in the business office under the authority of the Purchasing Agent designated by the Board.

It is the goal of the Board to purchase competitively, without prejudice or favoritism, and to seek the maximum educational value for every dollar expended. Competitive bids or quotations shall be solicited in connection with purchases pursuant to law. The General Municipal Law requires that purchase contracts for materials, equipment and supplies involving an estimated annual expenditure exceeding \$10,000 and public work contracts involving an expenditure of more than \$35,000 will be awarded only after responsible bids have been received in response to a public advertisement soliciting formal bids. Similar procurements to be made in a fiscal year will be aggregated for the purpose of determining whether bidding is required.

In accordance with law, the district shall give a preference in the purchase of instructional materials to vendors who agree to provide materials in alternative formats. The term "alternative format" shall mean any medium or format for the presentation of instructional materials, other than a traditional print textbook, that is needed as an accommodation for a disabled student enrolled in the district (or program of a BOCES), including but not limited to Braille, large print, open and closed captioned, audio, or an electronic file in a format compatible with alternative format conversion software that is appropriate to meet the needs of the individual student.

The Board is also aware of the need to reduce exposure of students and staff to potentially harmful chemicals and substances used in cleaning and maintenance. In accordance with law, regulation and guidelines set forth by the Office of General Services (OGS), the district will purchase and utilize environmentally sensitive cleaning and maintenance products in its facilities whenever feasible. Cleansers purchased must, first and foremost, be effective so that the district may continue to purchase non-green products as necessary. Environmentally sensitive cleaning and maintenance products will be procured in accordance with standard purchasing procedures as outlined in this policy and regulation.

Goods and services which are not required by law to be procured by the district through competitive bidding will be procured in a manner so as to ensure the prudent and economical use of public monies, in the best interests of the

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taxpayers, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.

Alternative proposals or quotations will be secured by requests for proposals, written or verbal quotations or any other appropriate method of procurement. Goods and services procured from the following are exempt:

1. under a county contract;
2. under a state contract;
3. of articles manufactured in state correctional institutions; or
4. from agencies for the blind and severely disabled.

The district's purchasing activity will strive to meet the following objectives:

1. to effectively supply all administrative units in the school system with needed materials, supplies, and contracted services;
2. to obtain materials, supplies and contracted services at the lowest prices possible consistent with the quality and standards needed as determined by the Purchasing Agent in cooperation with the requisitioning authority. The educational welfare of the students is the foremost consideration in making any purchase;
3. to ensure that all purchases fall within the framework of budgetary limitations and that they are consistent with the educational goals and programs of the district;
4. to maintain an appropriate and comprehensive accounting and reporting system to record and document all purchasing transactions; and
5. to ensure, through the use of proper internal controls, that loss and/or diversion of district property is prevented.

Opportunities shall be provided to all responsible suppliers to do business with the school district. Suppliers whose place of business is situated within the district may be given preferential consideration only when bids or quotations on an item or service are identical as to price, quality and other factors. Purchases will be made through available state contracts of the Office of General Services, county contracts, or agreements entered into by school districts for joint purchasing whenever such purchases are in the best interests of the district. In addition, the district will make purchases from correctional institutions and severely disabled persons through charitable or non-profit-making agencies, as provided by law.

The district will provide justification and documentation of any contract awarded to an offer or other than the lowest responsible dollar offer or, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

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The Purchasing Agent will not be required to secure alternative proposals or quotations for:

1. emergencies where time is a crucial factor;
2. procurements for which there is no possibility of competition (sole source items); or
3. very small procurements when solicitations of competition would not be cost-effective.

The Board authorizes the Superintendent of Schools, with the assistance of the Purchasing Agent and the Treasurer, to establish and maintain an internal control structure to ensure, to the best of their ability, that the district's assets will be safeguarded against loss from unauthorized use or disposition, that transactions will be executed in accordance with the law and district policies and regulations, and recorded properly in the financial records of the district.

The Purchasing Agent shall be responsible for the establishment and implementation of the procedures and standard forms for use in all purchasing and related activities in the district. Such procedures shall comply with all applicable laws and regulations of the state and the Commissioner of Education.

No Board member, officer or employee of the school district shall have an interest in any contract entered into by the Board or the district, as provided in Article 18 of the General Municipal Law.

The unintentional failure to fully comply with the provisions of section 104-b of the General Municipal Law or the district's policies regarding procurement will not be grounds to void action taken nor give rise to a cause of action against the district or any officer or employee of the district.

Ref: Education Law §§305(14); 1604(29-a); 1709(4-a)(9)(14)(22); 2503(7-a); 2554(7-a)
General Municipal Law §§102; 103; 104-b; 109-a; 800 et seq.

Adoption date: 4/22/10

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PURCHASING AUTHORITY

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NOTE: It is essential that the authority and responsibility for all purchasing functions be delegated by the Board of Education to one official or employee, whose duty it is to oversee and coordinate all district purchasing and related activities.

The Board of Education designates the Purchasing Agent for the school district. The Purchasing Agent will be responsible for administering all purchasing activities and ensuring the quality and quantity of purchases made by the district.

All purchases shall be made through the Purchasing Agent.

The Purchasing Agent is authorized to issue purchase orders without prior approval of the Board when formal bidding procedures are not required by law and budget appropriations are adequate to cover such obligations.

The Purchasing Agent shall be responsible for preparing all bid specifications and a statement of general bidding conditions to be included in every notice or invitation to bid. If there are questions concerning specifications, the Purchasing Agent will consult with the requisitioner to clarify the matter so as to ensure that the appropriate goods or services are obtained.

Ref: Education Law §1709(20-a)

Adoption date: 4/22/10

CONTRACTING FOR PROFESSIONAL SERVICES

The Board of Education will make certain that professional services are secured in a manner that protects the integrity of the process, ensures the prudent use of taxpayer dollars and provides a high quality standard of service, in accordance with law and regulation. Professional services are defined as services requiring special skill and/or training, such as legal services, medical services, auditing services, property appraisals or insurance.

Purchasing professional services does not require competitive bidding. The Board directs the **Purchasing** Agent to take measures to ensure that a highly qualified professional is secured through the prudent and economical use of public money, which may include:

1. reviewing trade journals;
2. checking professional listings; and/or
3. inquiring of other districts or other appropriate sources.

The designated district staff will prepare a comprehensive written request for proposals (RFP), which will contain critical details of the services sought. The RFP will specify that the proposal include the structure of the relationship between the district and the provider, including, if applicable, the terms of the retainer, the hourly fees and other associated costs.

In reviewing the RFPs, the district will consider, at a minimum, the following factors:

1. the suitability of the individual/firm for the district's needs;
2. the special knowledge or expertise of the individual/firm;
3. the credentials and applicable certifications of the individual/firm;
4. the quality of the service provided by the individual/firm;
5. cost;
6. the staffing available from the firm or the time available from the individual;

The district will periodically, but not less frequently than every five years, issue professional service RFPs and may conduct interviews as part of the RFP process. The written proposals submitted by applicants shall be maintained for at least six years.

The Superintendent, after a thorough review of the proposals, will recommend the professional service provider best suited to the district to the Board of Education for its approval.

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Regardless of when during the year the professional service provider was engaged by the Board, at the annual organizational meeting the Board will appoint the attorney, physician, external auditor, or other professional, as applicable. Professional service providers selected and appointed in this manner will not be considered employees of the district.

The Superintendent is charged with developing administrative procedures to implement this policy.

Cross-ref: 2210, Board Annual Organizational Meeting
9500, Compensation and Benefits

Ref: General Municipal Law § 104-b
2 NYCRR §§ 315.2, 315.3
Trane Co. v Broome County, 76 A.D.2d 1015
Appeal of Lombardo, 38 Educ. Dept. Rep. 730
Opn. St. Comp. 92-33

Adoption date: 4/22/10

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DISTRICT CREDIT CARD

There will be no credit cards issued to the District or in the District's name.

Adoption date: 4/22/10

DISTRICT AND CELLULAR PHONES

Cellular phones are provided to some school district employees for use as productivity and accessibility enhancement tools. Such provision is for the benefit of the school district, allowing access to these individuals after hours, while away from the office, and while on travel status. It is burdensome to require these individuals to carry more than one telephone to achieve access to both family and business. Therefore, personal use that does not conflict with school district use of cellular telephone devices is permitted. Such personal use should be limited in both occurrence and duration.

The Superintendent will determine which district employees are to be issued cellular phones.

It shall be the responsibility of the school district to select a rate plan that most efficiently accomplishes the school district business-use calling pattern.

Additional costs incurred by the school district for personal, non-business related use of school district provided cell phones are to be reimbursed by the employee. All cellular phone bills will be reviewed monthly. Any bill with usage that exceeds the plan amount allotted for that phone will be sent to the employee for review, explanation and reimbursement.

In the event that excessive personal, non-business use of the phone continues, a monthly fee may be charged to that employee for use of the phone.

Adoption Date: 4/22/10

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TRAVEL EXPENSE REIMBURSEMENT

School district employees, officials and members of the Board of Education will be reimbursed for reasonable, actual and necessary out-of-pocket expenses, which are legally authorized and incurred while traveling for school, related activities.

Only expenses necessary to the purpose of the travel shall be reimbursable. Transportation costs such as taxicabs are allowable only for essential transportation. Mileage will be paid at the rate fixed by the federal Internal Revenue Service for business travel. Tax exemption certificates shall be issued and utilized as appropriate.

The Board, by majority vote, shall determine and approve which conferences may be attended by Board members and the Superintendent of Schools.

The Superintendent shall determine whether attendance by district staff at any conference or professional meeting is in the best interest of the district and eligible for reimbursement of expenses under this policy.

To obtain reimbursement, the claimant must complete and sign an expense voucher, attach all receipts or other expense documentation, together with a copy of the approved conference attendance request form and evaluation report (if required), and submit the same to the appropriate administrator. Reimbursement shall only be made after such claim has been audited and allowed.

Ref: Education Law §§1604(27); 1709(30); 1804; 2118; 3023; 3028
General Municipal Law §77-b

Adoption date: 4/22/10

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PAYROLL PROCEDURES

The Board of Education recognizes the importance of the payroll function to the effective administration of the district. The Board is also aware that this is an area at risk of fraud and abuse. The Board directs the Superintendent to establish procedures to reasonably ensure the accuracy and integrity of the payroll system.

A duly certified payroll is one that has been examined and approved by the Payroll Certification Officer. It shall be the responsibility of the Assistant Superintendent for Business and his/her staff to prepare all payrolls.

The Superintendent will initiate a periodic test to verify the accuracy and appropriateness of the district payroll. This test shall be conducted by the Assistant Superintendent for Business. The test shall confirm that individuals listed on the payroll are currently employed by the district, and that the title, hours worked, and wages listed are correct. The test shall also confirm that individuals listed as employees are employees and not independent contractors. (The procedure for determining employment status is outlined in policy 9500, Compensation and Benefits.) The Superintendent will evaluate the results of the test and determine if improvements need to be made.

Payroll procedures will also be reviewed periodically by the internal auditor. The internal auditor will report findings and recommendations to the Board. It is the intention of the Board to take reasonable and necessary steps to safeguard the district's payroll.

Cross-ref: 6741, Contracting for Professional Services
9500, Compensation and Benefits

Ref: Education Law Article 11; §§1604; 1719; 1720; 2116-a
Retirement and Social Security Law §34
2 NYCRR §§315.2; 315.3

Adoption date: 4/22/10

FEDERAL FUNDS

The Board of Education shall consider whether to apply for any federal aid for which it is eligible. The administrative staff has the responsibility to evaluate federally funded programs, including their possible benefits to the children and youth in the school district, apprise the Board of the value of each, and make recommendations accordingly. A separate federal aid fund shall be maintained to record all financial transactions in federally funded programs and projects. A separate checking account, distinct from all other district accounts, shall be maintained for federal funds.

8 New York Code of Rules and
Regulations (NYCRR)
Parts 114, 167 and 200

Adoption date: 4/22/10

EXTRA CLASSROOM ACTIVITIES FUNDS MANAGEMENT

The Board of Education shall have the responsibility for the protection and supervision of the financial affairs of student clubs and extracurricular activities. The principal of each school concerned will appoint a competent or qualified faculty advisor for each club or organization. An audit of all accounts will be made annually by the External Auditor.

Education Law Section 207
8 New York Code of Rules &
Regulations (NCRR) Part 172

Adoption Date: 4/22/10

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SUBJECT: BONDING OF EMPLOYEES

In accordance with New York State Education Law and the Commissioner's Regulations, the Board of Education directs that the following employees be bonded prior to assuming their duties:

- a) Treasurer
- b) Assistant Treasurer
- c) Tax Collector
- d) Extra Classroom Activities Treasurer(s)
- e) Claims Auditor

Education Law Sections 1709(20-
a), 1720, 2130(5), 2526
and 2527
Public Officers Law Section 11(2)
8 New York Code of Rules and
Regulations (NYCRR)
Section 170.2(d)

Adoption Date: 4/22/10

FISCAL ACCOUNTING AND REPORTING

Accounting and Reporting Systems

The Board of Education requires clear, complete, accurate and timely detailed accounting of all financial transactions for which the Board is held accountable. The accounting system will yield information necessary for the Board to make policy decisions and to ensure that public monies are properly accounted for and protected. Expenditures will be charged to accounts that most accurately describe the purpose for which monies are to be spent. The system of accounts will conform to the Uniform System of Accounts for School Districts.

Financial Reports and Statements

The Board directs the Treasurer to keep it informed in a timely manner of the financial status of the District through monthly cash reconciliation, quarterly budget status and annual fiscal reports. The Treasurer should highlight any deviation in actual fiscal conditions from planned fiscal conditions and offer recommendations to the Board to remedy the situation. The School Business Official will prepare and submit, through the Superintendent, to the Board and the Commissioner of Education, such reports as are prescribed by law. These shall be filed with appropriate governmental bodies as required under law or regulation. The Superintendent shall also ensure that the provisions contained in the General Municipal Law in regard to audit reports are followed.

Adoption Date: 4/22/10

ACCOUNTING OF FIXED ASSETS

The School Business Official shall be responsible for accounting for general fixed assets according to the procedures outlined by the Uniform System of Accounts for School Districts and GASB Statement 34 Regulations.

These accounts will serve to:

- a) Maintain a physical inventory of assets;
- b) Establish accountability;
- c) Determine replacement costs; and
- d) Provide appropriate insurance coverage.

Fixed assets with a minimum value of \$10,000 that have a useful life of one (1) year or more and physical characteristics not appreciably affected by use or consumption shall be inventoried. Fixed assets shall include land, buildings and equipment.

Fixed assets acquired having a value equal to or greater than the established threshold are considered depreciable assets and shall be inventoried for the purposes of GASB 34 accounting practices and placed on a depreciation schedule according to its asset class and estimated useful life as stipulated by the NY State Comptroller's Office or the IRS.

Assets shall be recorded at initial cost or, if not available, at estimated initial cost; gifts of fixed assets shall be recorded at estimated fair value at the time of the gift. A property record will be maintained for each asset and will contain, where possible, the following information:

- a) Date of acquisition;
- b) Description;
- c) Cost or value;
- d) Location;
- e) Asset type;
- f) Estimated useful life;
- g) Replacement cost;
- h) Current value;
- i) Salvage value;

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- j) Date and method of disposition; and
- k) Responsible official.

The School Business Official shall arrange for the annual inventory and appraisal of School District property, equipment and material. Any discrepancies between an inventory and the District's property records on file should be traced and explained.

Adoption Date: 4/22/10

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CLAIMS AUDITOR

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The Board of Education will designate and appoint a claims auditor for the district. The claims auditor shall serve at the pleasure of the Board. The claims auditor shall report directly to the Board. The claims auditor may not be a member of the Board of Education; the clerk or treasurer of the Board; the Superintendent of Schools or other official of the district responsible for business management; the person designated as purchasing agent; and/or clerical or professional personnel directly involved in accounting and purchasing functions of the district.

The claims auditor is responsible for formally examining, allowing or rejecting all accounts, charges, claims or demands against the school district. The auditing process should determine:

1. that the proposed payment is for a valid and legal purpose;
2. that the obligation was incurred by an authorized district official;
3. that the items for which payment is claimed were in fact received or, in the case of services, that they were actually rendered;
4. that the obligation does not exceed the available appropriation; and
5. that the submitted voucher is in proper form, mathematically correct, does not include previously paid charges, and is in agreement with the purchase order or contract upon which it is based.

The claims auditor shall provide periodic written reports as may be requested by the Board.

Cross-ref: 6680, Internal Audit Function

Ref: Education Law §§1604 (35); 1709(20-a); 1724; 2509; 2526; 2554(b)
8 NYCRR §170.2
Matter of Levy, 22 EDR 550 (1983)

Adoption date: 4/22/10

EXTERNAL (INDEPENDENT) AUDITOR

The Board by law shall obtain an annual audit of its records by an independent certified public accountant or an independent public accountant. The independent accountant shall present the report of the annual audit to the Board and provide a copy of the audit to each Board member. The Board shall adopt a resolution accepting the audit report and file a copy of the resolution with the Commissioner. The District will also file the audit report with the Commissioner for a specific school year by October 30th of the following school year. In addition to the annual audit, the District shall be subject to State audits conducted by the State Comptroller.

The Superintendent shall, within 90 days of the receipt of such report or letter, prepare a corrective action plan in response to any findings contained in the annual external audit report or management letter, or any final audit report issued by the state comptroller. This corrective action plan shall be presented to the Board for review. To the extent practicable, implementation of such corrective action plan shall begin no later than the end of the next fiscal year.

Request for Proposal Process

In accordance with law, no audit engagement shall be for a term longer than five (5) consecutive years. The District may, however, permit an independent auditor engaged under an existing contract for such services to submit a proposal for such services in response to a request for competitive proposals or be awarded a contract to provide such services under a request for proposal process.

Education Law Sections 1709(20-a), 2110-a, 2116-a and 2854(c)
General Municipal Law Sections 33 and 104-b
8 New York Code of Rules and Regulations (NYCRR)
Sections 170.2, 170.3 and 170.12

Adoption Date: 4/22/10

Required
 Local
 Notice

PETTY CASH ACCOUNTS

Petty cash funds shall be established at: the Elementary School, the Middle School, the High School, and the offices for the District, Business, Operations, Transportation, Athletics and Special Education for the purchase of materials, supplies or services under conditions requiring immediate payment.

The amount of each fund will not exceed \$100.00. The Board of Education shall appoint a custodian for each petty cash fund who shall administer and be responsible for such fund.

To ensure that these funds are properly managed, the following guidelines shall be followed:

1. Receipts and cash-on-hand must always total the authorized fund amount. All disbursements from such funds are to be supported by receipted bills or other evidence documenting the expenditure.
2. Payments may be made from petty cash for materials, supplies, or services requiring immediate payment. Sales tax on purchases will not be paid by the school district from petty cash funds.

The district shall reimburse uses of petty cash funds up to the extent of expenditures, with appropriate documentary support and as approved by the claims auditor.

Cash in School Buildings

All cash should be deposited in the appropriate accounts in a timely manner, but in no case should funds remain undeposited for more than one week.

Cross-ref: 6700, Purchasing

Ref: Education Law §§1604(26); 1709(29)
8 NYCRR §170.4

Adoption date: 4/22/10

Required
 Local
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INTERNAL AUDIT FUNCTION

NOTE: The following is substantially the same as current policy 1320.301.

The Board of Education recognizes its responsibility to ensure sound fiscal management of the district. To this end, the Board establishes an internal audit function to carry out the following tasks:

- Develop an annual risk assessment of district fiscal operations which shall include but not be limited to:
 - a. a review of financial policies and procedures,
 - b. the testing and evaluation of district internal controls;
- An annual review and update of such risk assessment; and
- Prepare reports, at least annually or more frequently as the Board may direct, which:
 - a. analyze significant risk assessment findings,
 - b. recommend changes for strengthening controls and reducing identified risks, and
 - c. specify timeframes for implementation of such recommendations.

To fulfill this function, the district may use inter-municipal cooperative agreements, BOCES shared services, or independent contractors as long as such personnel or entities performing the internal audit function comply with the Regulations of the Commissioner and meet professional auditing standards for independence between the auditor and the district. The district may also use existing personnel to fulfill this function but only if such persons shall not have any responsibilities for other business operations of the district while performing such function.

Personnel or entities performing this function shall report directly to the Board. The district’s audit committee shall assist in the oversight of this internal audit function.

Cross-ref: 6690, Audit Committee

Ref: Education Law §2116-b

Adoption date: 4/22/10

AUDIT COMMITTEE

The District, by law, shall maintain an Audit Committee, which is established by Board Resolution. The Audit Committee may consist of:

- a) The Board of Education as a whole;
- b) A subcommittee of the Board of Education; or
- c) An Advisory Committee that may include, or be composed entirely of persons other than Board members if, in the opinion of the Board, such membership is advisable to provide accounting and auditing expertise.

The Audit Committee shall consist of at least three (3) members who shall serve without compensation, but shall be reimbursed for any actual and necessary expenditure incurred in relation to attendance at meetings. Employees of the District are prohibited from serving on the Audit Committee. Members of the Audit Committee shall be deemed School District Officers, but shall not be required to be residents of the School District.

The role of the Audit Committee shall be advisory unless the Audit Committee consists of at least a quorum of Board members, and any recommendations it provides to the Board shall not substitute for any required review and acceptance by the Board of Education.

The responsibilities of the Audit Committee include the following:

- a) Provide recommendations regarding the appointment of the External (Independent) Auditor for the District;
- b) Meet with the External (Independent) Auditor prior to commencement of the audit;
- c) Review and discuss with the External (Independent) Auditor any risk assessment of the District's fiscal operations developed as part of the Auditor's responsibilities under governmental auditing standards for a financial statement audit and federal single audit standards if applicable;
- d) Receive and review the draft annual audit report and accompanying draft management letter and, working directly with the External (Independent) Auditor, assist the Board of Education in interpreting such documents;

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- e) Make a recommendation to the Board on accepting the annual audit report; and
- e) Review every corrective action plan developed by the School District and assist the Board in its implementation.

Additional responsibilities of the Audit Committee include: assisting in the oversight of the Internal Audit Function including, but not limited to, providing recommendations regarding the appointment of the Internal Auditor; reviewing significant findings and recommendations of the Internal Auditor; monitoring the School District's implementation of such recommendations; and participating in the evaluation of the performance of the Internal Audit Function.

The Audit Committee may conduct an Executive Session pursuant to Public Officers Law Section 105 pertaining to the following matters:

- a) To meet with the External (Independent) Auditor prior to commencement of the audit;
- b) To review and discuss with the External (Independent) Auditor any risk assessment of the District's fiscal operations developed as part of the Auditor's responsibilities under governmental auditing standards for a financial statement audit and federal single audit standards if applicable; and
- c) To receive and review the draft annual audit report and accompanying draft management letter and, working directly with the External (Independent) Auditor, assist the Board of Education in interpreting such documents;

Any Board member who is not a member of the Audit Committee may be allowed to attend an Audit Committee meeting if authorized by a Board resolution. However, if such Board member's attendance results in a meeting of a quorum of the full Board, any action taken by formal vote may constitute official Board action.

Education Law Sections 2116-
c, and 3811-3813
Public Officers Law Sections
105(b), 105(c)
and 105(d)
8 New York Code of Rules and
Regulations (NYCRR)
Section 170.12(d)

Adoption Date: 4/22/10

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INSURANCE

The objective of the Board of Education is to obtain the best possible insurance at the lowest possible cost, and to seek advice from an Insurance Appraisal Service to determine that adequate coverage is being provided regarding fire, boiler, general liability, bus and student accident insurance.

The Board shall carry insurance to protect the District's real and personal property against loss or damage. This property shall include school buildings, the contents of such buildings, school grounds and vehicles.

The Board may also purchase liability insurance to pay damages assessed against Board members and District employees acting in the discharge of their respective duties, within the scope of their employment and/or under the direction of the Board.

All insurance policies, along with an inventory of the contents of the building, should be kept in a fireproof depository or with the appropriate insurance agent for safekeeping and referral purposes. The Superintendent shall review the District's insurance program annually and make recommendations to the Board if more suitable coverage is required.

Education Law Sections 1709(8),
1709(26), 1709(34-b), 2503(10),
2503(10-a), 2503(10-b), 3023,
3028 and 3811
General Municipal Law Sections
6-n and 52
Public Officers Law Section 18

Adoption Date: 4/22/10

SALE AND DISPOSAL OF SCHOOL DISTRICT PROPERTY

Building administrators and support staff supervisors are responsible for identifying obsolete or surplus equipment and supplies within their area(s) of responsibility. A determination shall be made of which equipment, supplies and/or materials are obsolete and cannot be salvaged or utilized effectively or economically by the school district. Such equipment, supplies, or materials may be disposed of according to the following procedures and rules.

Sale of School Property

The net proceeds from the sale of school property shall be deposited in the General Fund.

Disposal of District Personal Property

Equipment

School District equipment that is obsolete, surplus, or unusable by the District shall be disposed of in such a manner that is advantageous to the District. The School Business Official shall be authorized to dispose of obsolete or surplus equipment and supplies in the following manner:

- a) Reassign the items, as needed, to other locations within the school district;
- b) Centralize the storage of items of potential usefulness; and/or
- c) Discard or sell as surplus those items determined to be of no further use or worthless.

The Superintendent, or designee, will be responsible for selling the equipment in such a way so as to maximize the net proceeds of sale, which may include a bona fide public sale preceded by adequate public notice. Items may be sold in the following manner:

- a) Offer to sell the items to local municipalities or local non-profit organizations;
- b) Sell items at a public sale. In the event of a public sale, notice of availability of such equipment, supplies and materials and requests for bids shall be disseminated through announcements in local newspapers and such other appropriate means. The general public, as well as staff members who are not Board members, officers or involved in the purchasing function, shall be eligible to bid on the equipment, supplies and/or materials; and

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- c) Sell remaining items as scrap for the best obtainable amount or discard in the safest, least expensive manner.

Textbooks

Textbooks may lose their value to the educational program because of changes in the curriculum or they contain outdated material and/or are in poor condition.

If textbooks are no longer useful or usable, the procedures for disposal shall adhere to the following order of preference:

- a) Sale of textbooks. If reasonable attempts to dispose of surplus textbooks fail to produce monetary return to the School District; then
- b) Donation to charitable organizations; or
- c) Disposal as trash.

Education Law Sections 1604(4),
1604(30), 1604(36),
1709(9), 1709(11), 2503, 2511
and 2512
General Municipal Law Sections
51 and 800 et seq.

Adoption Date: 4/22/10