

6470 PAYMENT OF CLAIMS

The Board of Education directs the prompt payment of legitimate claims by suppliers of goods and services to the school district, provided that each bill or obligation of this Board is fully itemized and verified before a warrant is drawn for its payment.

When an invoice is received, the School Business Administrator/Board Secretary or designee shall verify the voucher is properly submitted, acceptable goods were received or satisfactory services rendered, the expenditure is included in the Board's budget and funds are available for its payment, and the amount of the invoice is correct.

The School Business Administrator/Board Secretary shall identify and investigate, if necessary, the reason for any increase to a purchase order. If it is found by the School Business Administrator/Board Secretary that an increase to a purchase order is warranted, the School Business Administrator/Board Secretary shall either approve a revision to the original purchase order with the reason noted, approve the issuance of a supplemental purchase order for the difference, or cancel the original purchase order and issue a new purchase order. If it is found an increase is not warranted, the purchase order shall be cancelled and the goods returned. In no instance shall an adjustment be made to a purchase order that changes the purpose or vendor of the original purchase order or a bid award price.

The school district's financial systems shall be programmed to:

1. Limit system access so that only appropriate Business office staff may make purchase order adjustments;
2. Reject adjustments in excess of any established approval thresholds;
3. Prevent unauthorized changes to be processed;
4. Reject payments where the sum of the invoice amount plus any previous invoices charged to the purchase order exceeds the sum of the original purchase order amount plus any authorized adjustments;
5. Reject duplicate purchase order numbers;
6. Reject duplicate invoice numbers; and
7. Prepare an edit/change report listing all payments made in excess of the originally approved purchase order amount.

The School Business Administrator/Board Secretary shall review on a monthly basis edit/change reports listing all payments made in excess of the originally approved purchase order amount to ensure that all payments made are properly authorized.

If funds are not available in the budget line account to which the expenditure will be charged, funds may be transferred in accordance with Policy 6422.

The Board must approve all claims for payment, except such payments that are to be paid from funds derived from athletic events or other activities of student organizations.

All claims shall be fully itemized, verified, and shall be submitted for Board review and approval or ratification. Claims must be submitted to the Board in the form of a list that includes the number, amount, and date of the warrant; the payee; the reason for the expenditure; and the account charged. All claims that equal or exceed fifteen percent of the bid threshold amount established pursuant to N.J.S.A. 18A:18A-3, except for payrolls and debt service, shall be verified by affidavit or by signed declaration in writing in accordance with the provisions of N.J.S.A. 18A:19-3.

The list of claims must be accompanied by the original records that include copies of the purchase order, the receiving report, the vendor's invoice, and the purchase requisition. The list of approved warrants will be included in the minutes of the Board meeting.

When a claim for payment is duly approved in accordance with this Policy, the School Business Administrator/Board Secretary and/or a designated staff member shall promptly prepare a warrant for payment, cancel the commitment placed against the appropriate account, and post the actual expenditure. All warrants shall be signed by the Board President, Board Secretary, Superintendent of Schools, and/or Treasurer of School Moneys, as appropriate to the district.

N.J.S.A. 18A:17-36; 18A:18A-3; 18A:19-1 et seq.; 18A:19-3;
18A:19-4; 18A:19-4.1; 18A:22-8.1
N.J.A.C. 6A:23A-6.10

Adopted: September 26, 2012