

SUBJECT: SAFEGUARDING DISTRICT ASSETS

It is the duty of the Board of Education and all employees of the District to safeguard District assets, and to make sure that assets are used for legitimate business purposes and activities.

DEFINITIONS:

FRAUD: Intentional misstatement or illegal act characterized by deception.

ABUSE: Improper or questionable practice.

WASTE: Not acquiring, protecting, or using resources in the most productive manner to achieve program objective.

SECTION A - Disclosure of Wrongful Conduct

The Board of Education expects officers and employees of the district to fulfill the public’s trust and to conduct themselves in an honorable manner, abiding by all district policies and regulations and by all applicable state and federal laws and regulations.

However, when district officers or employees know or have reasonable cause to believe that serious instances of wrongful conduct have occurred, they shall report such wrongful conduct to the Superintendent of Schools or the Board President. For purposes of this policy, the term “wrongful conduct” shall be defined to include:

- Theft of district money, property, or resources;
- Misuse of authority for personal gain or other non-district purpose;
- Fraud;
- Violations of applicable federal and state laws and regulations; and/or
- Serious violations of district policy, regulation, and/or procedure.

Disclosure and Investigation

Employees and officers who know or have reasonable cause to believe that wrongful conduct has occurred or is occurring shall report such mismanagement, fraud or abuse to the Superintendent or the Board President, if the allegation involves the Superintendent. Upon receiving a report of alleged wrongful conduct, the district shall take prompt steps to conduct an investigation.

The Board President, Superintendent or other designee (e.g. School Attorney, Independent Auditor, etc.)

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shall maintain a written record of the allegation, conduct an investigation to ensure that the appropriate unit (e.g. auditors, forensic auditors, police, etc.) investigates the disclosure, and notifies the Board when appropriate to do so.

“Whistleblower” Protections

Pursuant to section 75-b of the Civil Service Law, an employee or officer who provides disclosures of wrongful conduct that presents a substantial and specific danger to the public health or safety or which he or she reasonably believes to be true and improper on the part of the Board or the district shall have “whistleblower protection” against retaliation in the nature of adverse action affecting compensation, appointment, promotion, transfer, assignment, reassignment or evaluation of performance.

Pursuant to section 3028-d of the Education Law, an employee who has reasonable cause to suspect that the fiscal practices or actions of an officer or employee of the district violates any local, state, or federal law, rule or regulation relating to the financial practices of the district, and who, in good faith, reports such information to a district official, Office of the State Comptroller, Commissioner of Education or law enforcement authorities shall have immunity from any civil liability that may arise from the making of such report. Further, no district employee or officer may take, request, or cause a retaliatory action against any employee who makes such a report.

Any employee or officer who is concerned that retaliation for providing information regarding wrongful conduct has occurred or is occurring should report this to the Superintendent or the Board.

Dissemination and Review

This policy shall be published in employee handbooks, posted in employee lounges and given to all employees with fiscal accounting and/or money handling responsibilities on an annual basis.

The Superintendent of Schools, the Auditor, the School Attorney and others involved in implementing this policy shall meet with the Board once a year to evaluate the effectiveness of this policy and to make appropriate adjustments, if any, to the policy.

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SECTION B - Cellular Phones

I. Issuance of Cellular Phones

All officers and employees of the DISTRICT may be issued cellular phones at district expense in order to more effectively and efficiently carry out their job responsibilities. The issuance of cellular phones shall be subject to prior approval of the Superintendent of Schools/Designee. The following considerations shall apply when determining whether a cellular phone should be issued:

1. Whether issuance of the cell phone will promote communication in emergency circumstances;
2. Whether the employee is frequently in business-related travel status;
3. Whether the employee's primary work location requires access to a cell phone;
4. Whether there is a reasonable expectation for other members of the DISTRICT to be able to contact the officer or employee at times other than regular business hours; and
5. Whether other means of communication are available and less expensive to obtain and/or maintain.

II. Cellular Phone Usage

Cellular phones issued by the DISTRICT are issued primarily for official DISTRICT business. The DISTRICT retains the right to cancel cellular phone service and recover issued cell phones at any time. When purchasing cellular phone plans, the DISTRICT will consider the reasonable expectation for business use. It is recognized, however, that on occasion cell phones are used for personal business but the District expectation is that this will be minimal. Each person issued a cell phone shall be required, as a condition of obtaining the cell phone, to agree to reimburse the DISTRICT for the pro rata charges incurred for calls not related to official DISTRICT business.

The District will not provide reimbursement to its officers and employees for business use of personal cellular phones.

III. Monitoring Cellular Phone Usage

The Superintendent of Schools is authorized to establish such administrative regulations and procedures as may be necessary or desirable to carry out this policy. Such procedures shall include, without limitation, processes for monitoring cell phone usage to assure proper reimbursement to the DISTRICT for personal calls. Cellular phone issuance and usage shall be evaluated periodically by the Assistant Superintendent for Management Services to determine whether phones previously issued continue to be needed and whether the cell phone rate plans previously purchased continue to provide value.

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SUBJECT: SAFEGUARDING DISTRICT ASSETS (Cont'd)**SECTION C – Issuance and Use of Credit Cards****I. Acquisition of Credit Cards**

To facilitate the acquisition of certain goods and services by and on behalf of the Elmira City School District, the Board of Education authorizes the Assistant Superintendent for Management Services to acquire credit cards on behalf of the District in accordance with this policy. When selecting credit card services, the Assistant Superintendent for Management Services shall consider such factors as the annual fees, appropriate credit limits and any other matter that relates to obtaining value on behalf of the district. The credit line authorized for any one credit card shall not exceed five thousand dollars. The exact terms and conditions for the issuance of the particular card shall be in accordance with direction received by the Assistant Superintendent for Management Services with express authorization by a Board of Education resolution.

All credit cards shall be issued in the name of the District for use of its officers and designated employees for authorized expenses.

II. Use of Credit Cards

Credit cards may be used for the following purposes only by authorized persons for;

- The purchase of gasoline for vehicles owned by or rental vehicles used on behalf of the District for expenses related to travel,
- Appropriate business expenses or in instances when a vendor will not accept a purchase order or District issued check.

Any other reason for use of a card must be approved by the Assistant Superintendent for Management Services. Credit cards issued pursuant to this and other purchasing related policies shall be used only for purchases authorized by this policy. Any use of a credit card for a use not authorized in accordance with this policy is strictly prohibited. Credit card expenditures will be charged to the appropriate budget code(s) and original receipts for charges must be forwarded to the business office for all charges. Failure to submit original receipts for charges made or the use of the credit card for an unauthorized purchase will result in the officer/employee being held personally liable to reimburse the district for the undocumented charge(s).

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III. Safeguarding of District Credit Cards

The Assistant Superintendent for Management Services shall maintain custody of credit cards in a safe location. A log for each credit card shall also be maintained. The log shall indicate to whom a card has been issued, when it was issued, when it was returned and the purchase order in accordance with which it was issued. Each officer or employee shall sign a receipt for all cards placed in his/her custody and shall take the necessary precautions to ensure the safety of the cards.

IV. Payments

Credit card balances shall be paid by the last date of each billing cycle. Unpaid balances may not be carried forward as revolving credit balances are subject to interest payments. The Accounts Payable Clerk and the Claims Auditor shall receive and review monthly reports from the credit card(s) provided which enumerate the purchasing activity undertaken. Any questions regarding unauthorized card use shall be brought to the prompt attention of the Assistant Superintendent for Management Services.

SECTION D – Travel, Meals and Refreshments

Members of the Board of Education, school officials and staff members shall be reimbursed for reasonable, appropriately documented out-of-pocket expenses incurred while traveling for school related activities. Only expenses necessary and aligned with the purpose of the travel will be paid by the District. Reimbursement for travel expenses (mileage, meals, and lodging) shall be in accordance with established Board of Education policy #5570 and the regulations thereto. If a meal is included with the program attended, that meal will not be eligible for per diem reimbursement. Mileage (day and overnight travel) shall be reimbursed only upon provision of written proof to the Business Office indicating a request for use of a District vehicle was denied.

The Board of Education also recognizes that, occasionally, it may be appropriate to provide refreshments and/or meals at district meetings or events, which are being held for a district or educational purpose. Any expenditure on such refreshments and/or meals must be approved in advance by the appropriate Building Administrator. Meal requests may be approved when:

- officers and/or employees of the district will be prevented from taking time off for food consumption due to a pressing need to complete the business at hand; the district is faced with business of an immediate nature and meetings of district employees are essential at mealtime;
- the district wishes to recognize the services provided by volunteers or other unsalaried members of the district (in such cases, however, only the meals of those being recognized may be reimbursed and the cost of the meals must be reasonable).

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An example of an authorized expenditure would be refreshments and/or meals for staff assigned to participate in assessment day grading of standardized tests. All expenses must be appropriately documented, including the date, purpose of the meeting and the group in attendance, and submitted to the district's Business office for the purposes of audit and possible reimbursement. In addition, District Administrative Regulations must be adhered to in order to receive reimbursement. The District will not be held responsible for any travel or meal related expense which does not follow District guidelines, and/or federal and state laws.

SECTION E – Accounting System Security

It shall be the responsibility of the Assistant Superintendent for Management Services to review all requests for access to the district accounting systems, and approve only those requests where access and permissions are in line with job duties, and a system of strong internal controls. The Assistant Superintendent for Management Services shall also be responsible for reviewing on a frequent and regular basis, all users with access to district accounting systems. An examination of the level of access and permissions within individual modules of the accounting systems such as Payroll, Accounts Payable, Purchasing, General Ledger, etc. should be included in the review. A record of all review procedures conducted, along with any changes made as a result of the review shall be maintained in accordance with applicable record retention guidelines.

Ref: NY Constitution, Art. VIII, §1 (constitutional prohibition against gifts)
Education Law §2118
Ops. St. Compt. 77-667; 79-522; 82-66; 82-213 82-298; 83-57; 98-2

Ed. Law Sec. 2503

Adopted: 2/15/06
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