

Safeguarding Jericho's Finances

One of the primary ways to guarantee the financial integrity of the Jericho School District is through stringent internal financial controls. This system of checks and balances protects school district resources against waste, abuse, mismanagement, errors, and fraud. The controls in our district are frequently reviewed and improved. Some of the procedures that are currently in place include:

- ◆ A computerized multi-level purchase order approval system where security access codes are required at every level.
- ◆ Purchasing, receiving and paying functions that are separate activities. A different individual performs each function.
- ◆ All purchases are reviewed for compliance with policy. The majority of purchases are from standard competitive bid lists or state contract in accordance with general municipal law. For merchandise totaling more than \$3,000, a quotation is obtained from at least three vendors.
- ◆ The internal auditor reviews and approves all invoices and claims scheduled for payment.
- ◆ All checks received by the district are logged and recorded by a clerk when the mail is opened. The checks are then given to the treasurer.
- ◆ Someone other than the treasurer reconciles all bank statements.
- ◆ Warrants are generated by the accounts payable clerk, issued by the treasurer, approved by the internal claims auditor, reviewed by the Board of Education, and then signed by the district clerk.
- ◆ External auditors review activities of the district for adherence to General Municipal Law 103 and to policy and procedures of the school district.
- ◆ Purchase orders are required for school district expenditures and must be approved by the purchasing agent. Any expenditure submitted on a claim form must be approved and coded by the building level administrator before it is processed in the business office and approved by the purchasing agent. Claims made by building and central office administrators are reviewed and approved by the Superintendent and/or the Assistant Superintendent for Business Affairs. Claims are paid only after review of the internal claims auditor.
- ◆ All conference expenses are pre-approved and then reviewed and approved after conference attendance. Conference expenses for food and mileage reimbursement are capped according to district practice, 17 cents per mile for automobile travel, and a total of \$57.50 per day for all meals and tips. If meals are provided as part of the conference program, no meal allowance is permitted.

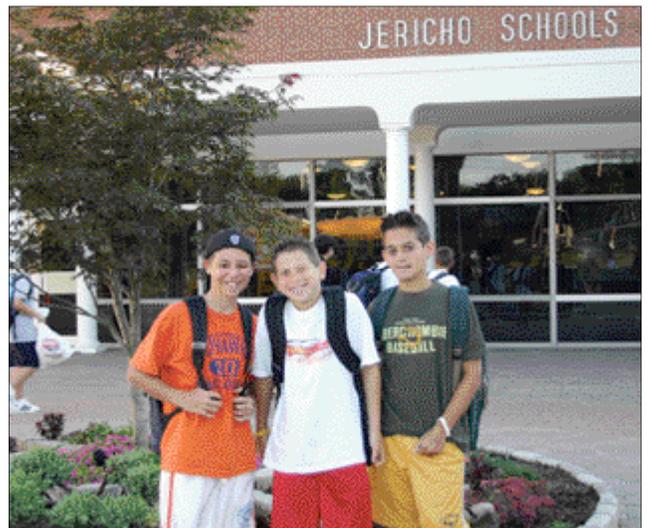
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**Questions about budget, finance, or internal controls?
Please contact:**

Dr. Joan Colvin
Assistant Superintendent for Business Affairs
203-3600, ext. 3214



The majority of Jericho's budget is allocated for our instructional program. Teachers, teacher aides and tutors provide all students with the highest quality of education across the grade levels. A Regents diploma rate of 96%, and outstanding results on fourth and eighth grade state assessments, provide an objective outside measurement of the quality of our educational program.



Although the buildings and grounds budget represents only a small portion of our total budget, buildings are in outstanding condition and the grounds are beautifully maintained.



The budget includes costs for transporting all of our student population. District voters approved a public referendum for 100% transportation in May 2001.



Funds are budgeted for interscholastic and intramural athletics, extracurricular and co-curricular activities, and clubs. These programs provide students on all grade levels with a balanced educational experience.

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- ◆ At least once a year, all district employees must show identification and sign for their paycheck. This ensures the identity and existence of every employee on the payroll.
- ◆ Our internal auditor separately audits all checks that are issued through accounts payable. Regularly, checks to vendors are mailed directly after audit in order to be certain that they are in fact delivered to the named vendor.
- ◆ The district has only one general credit card that is supervised by the Superintendent of Schools. The internal auditor and the Assistant Superintendent for Business Affairs audit this card separately each month. The district does not have any gasoline credit cards.
- ◆ The district polls local banking institutions each year to be sure that all accounts using the district's name are legitimate. Banks mail their responses to these inquiries directly to our external auditors so that confidentiality and impartiality are maintained.

In Addition.....

Due to recent allegations of the misappropriations of funds in other school districts, the Jericho Board of Education and Superintendent of Schools have proactively recommended several additional measures to reassure members of the community that our tax dollars are being appropriately managed. These supplementary safeguards include:

- ◆ The district has commissioned an Agreed Upon Procedures Audit that will examine all expenses of central office administrators and members of the Board of Education.
- ◆ The district is in the process of securing an independent external auditing firm to serve as the district's internal auditor.
- ◆ The external auditors have revised their related party questionnaire. This survey requires all members of the Board of Education and central administration to disclose if they are related to other employees, vendors or affiliates of the district. The purpose of the review is to determine if members of the Board of Education or central administration might directly or indirectly benefit from such a matter.
- ◆ Members of the Board of Education, the Superintendent of Schools and the Assistant Superintendent for Business Affairs are attending a series of workshops which outline additional safeguards for monitoring the district's finances. These seminars provide detailed information about financial protection of district funds by accountants, attorneys and representatives from the New York State Education Department.
- ◆ The Board of Education is currently in the process of revising its ethics policy to be more comprehensive.



Board of Education President Hilari Cohen, Vice President Barbara Krieger, and trustees Ira Checkla, Joseph H. Lorintz and Toni Meliambro, together with Superintendent of Schools Hank Grishman, have proactively recommended additional safeguards to protect our school district funds.