

**BY-LAW**

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**EXPENSES AND REIMBURSEMENT**

Board members receive no payment for their services. With Board approval, they may be reimbursed for out-of-pocket expenses incurred on board business.

**Travel and Related Expenses**

Travel reimbursement will be paid only upon compliance with the Board's policy provisions and approval requirements. Board members and employees shall only be reimbursed for work-related travel that is directly related to and within the scope of the Board member's and employee's current work responsibilities. Board members and employees shall only be reimbursed for travel that:

- A. Promotes the delivery of instruction and is critical to the instructional needs of the school district or furthers the efficient operation of the school district,
- B. Is educationally necessary and fiscally prudent, and
- C. Is directly related to and within the scope of the board member's current responsibilities, and for school district employees, the school district's professional development plan.

As described in this Policy, school district travel expenditures include, but are not limited to, all costs for transportation, meals, lodging, and registration or conference fees to and for the travel event. School district travel expenditures include costs for all required training and all travel authorized in existing school district employee contracts and school board policies. This includes, but is not limited to, required professional development and other staff training, required training for new school board members, and attendance at specific conferences authorized in existing employee contracts.

**Travel Payments**

Travel payments will be paid only upon compliance with the Board's policy provisions and approval requirements. The Board will not ratify or approve payments or reimbursements for travel after completion of the travel event. All Board members, and employees shall adhere to the following specifications to be considered for reimbursement:

- A. Reimbursement may not exceed State travel reimbursement guidelines as established by the NJ Department of Treasury in NJOMB circular letters,

including but not limited to the types of travel, methods of transportation, mileage allowance, meal allowance, overnight travel and supporting documentation.

- B. Reimbursement must also be in compliance with OMB Circular A-87. No reimbursement will be issued without submission of written documentation such as receipts, checks and vouchers detailing the amount of each expenditure. Such documentation must be submitted within a timeframe to be established by the board.
- C. Travel expenditures must be in compliance with state travel payment guidelines as established by the Department of the Treasury and with guidelines established by the federal Office of Management and Budget; except that those guidelines that conflict with the provisions of Title 18A of the New Jersey Statutes shall not be applicable, including, but not limited to, the authority to issue travel charge cards. The Board shall comply with the applicable restrictions and requirements set forth in the State and federal guidelines including, but not limited to, types of travel, methods of transportation, mileage allowance, subsistence allowance, and submission of supporting documentation including receipts, checks or vouchers.
- D. Board members and employees shall within one week provide a brief report that includes, as appropriate, but may not be limited to, a description of the primary purpose for the travel, and a summary of the goals and key issues that were addressed at the event and their relevance to improving instruction or the operation of the District. This report will be submitted to the Board Secretary or other appropriate party designated by the Board.
- E. Pursuant to N.J.A.C. 6A:23A-5.8 concerning out-of state and high-cost travel events, out-of-state travel shall be limited to the fewest number of Board members or employees needed to present the content at the conclusion of the event. Lodging may only be provided if the event occurs on two or more consecutive days and where home-to-event commute exceeds fifty (50) miles. Prior written approval of the Executive County Superintendent may be required when the travel event has a total cost that exceeds \$5000.

In addition to the requirements above, employee travel, to be reimbursable, must be directly related to the employee's professional development. No District employee shall be reimbursed for travel and related expenses without prior written approval of the Superintendent and prior approval by a majority of the full voting membership of the Board except where the Board has excluded "regular school district business travel" from prior Board approval pursuant to N.J.A.C. 6A:23A-7.3 as set forth below.

**Prior Approval is Required**

Board members shall only be reimbursed for travel and related expenses that have received prior approval by a majority of the full voting membership of the board, and are in compliance with N.J.S.A. 18A:12-24 and 24.1 of the School Ethics Act.

- A. Specifically, a Board member must recuse himself/herself from voting on travel if the Board member, a member of his/her immediate family, or a business organization in which he/she has an interest, has a direct or indirect financial involvement that may reasonably be expected to impair his/her objectivity or independence of judgment.
- B. Also, a Board member shall not: act in his official capacity in any matter in which he/she or a member of his/her immediate family has a personal involvement that is or creates some benefit to the school official or member of his/her immediate family; or undertake any employment or service, whether compensated or not, which may reasonably be expected to prejudice his/her independence of judgment in the execution of his/her official duties.
- C. For employees, the Board requires that travel occur only upon prior written approval of the Superintendent and prior approval by a majority of the full voting membership of the Board except where the Board has excluded "regular school district business travel" from prior Board approval pursuant to N.J.A.C. 6A:23A-7.3 as set forth below.
- D. For board members, travel may occur only upon prior approval by a majority of the full voting membership of the Board and that the travel be in compliance with the applicable provisions of the School Ethics Act.

**Travel Advances are Banned**

An employee of the Board, a Board member, or organization, shall not receive an amount for travel and travel-related expenses in advance of the travel pursuant to N.J.S.A. 18A:19-1 *et seq.*

**Annual Maximum Travel Expenditure Amount Per Employee**

The Board will establish a maximum travel expenditure amount per employee for "regular school district business travel," as that term is defined below, for which advanced approval from the Superintendent is required, but board approval is not required for reimbursement. In this regard, the annual maximum travel expenditure amount per employee for "regular school district business travel" shall be set as follows:

Certified Administrative Staff	\$1,000.00
Certified Teaching Staff	\$1,000.00
Custodial Staff	\$300
All other Support Staff	\$300

As used in this Policy, the term "regular school district business travel" shall have the same meaning that is provided for that term in N.J.A.C. 6A:23A-1.1. In addition, "regular school district business travel" shall also include employee or board member attendance at regularly scheduled in-state county meetings and Department of Education sponsored or association sponsored events provided free of charge and regularly scheduled in-state professional development activities with a registration fee that does not exceed \$150 per employee or board member. With respect to the \$150 registration fee limitation, the Board may elect to adjust that limit for inflation beginning in 2009-2010 school year.

In conjunction with the foregoing, the Board shall also:

- A. Allot in its annual budget the aforementioned maximum travel expenditure amount and annually review its policy to assure that it properly reflects the amount budgeted.
- B. Vote to authorize each reimbursement that requires advanced Board approval; specifying the way in which it promotes the delivery of instruction or furthers the efficient operation of the school district, within the maximum annual amount.
- C. Annually in the pre-budget year, establish by resolution, any changes to the maximum travel expenditure amount for the budget year, which the District shall not exceed in that budget year. The resolution shall also include the maximum amount established for the pre-budget year and the amount spent to date.
- D. Provide that the maximum District travel expenditure amount shall include all travel in accordance with this policy supported by local and State funds.

#### **Additional Detailed Accounting Requirements which Demonstrate Compliance**

In order to demonstrate compliance with this Policy, documentation of all reimbursed travel expenses shall be maintained on file. This record may include receipts, checks and vouchers submitted in connection with any reimbursement. The District shall maintain separate accounting for District travel expenditures as necessary to ensure compliance with the District's maximum travel expenditure amount. This may include, but need not be limited to, a separate or offline accounting of such expenditures or expanding the District's accounting system. The tracking system shall be sufficient to demonstrate

compliance with the board's policy and this section, and shall provide auditable information.

To minimize travel expenditures, Board members and employees will take the following steps:

- A. "Retreats" will be held at District facilities, if available. A retreat is a meeting of District employees and Board members held away from the normal work environment, at which organizational goals and objectives are discussed.
- B. A District shall not bare costs for car rentals, limousine services, and chauffeuring costs to or during the event, as well as costs for employee attendance for coordinating other attendee accommodations at the travel event.
- C. One-day trips that do not involve overnight lodging are not eligible for a subsistence payment or reimbursement except in limited circumstances authorized in Department of the Treasury guidelines.
- D. Overnight travel is eligible for a subsistence payment or reimbursement as authorized in Department of the Treasury guidelines, except as otherwise superseded by the following:
  1. Per diem payment or reimbursement for lodging and meals will be actual reasonable costs, not to exceed the federal per diem rates as established in the federal register for the current year;
  2. Lodging expenses may exceed the federal per diem rates if the hotel is the site of the convention, conference, seminar or meeting and the going rate of the hotel is in excess of the federal per diem rates. If the hotel at the site of the convention, conference, seminar, or meeting is no longer available, lodging may be paid for similar accommodations at a rate not to exceed the hotel rate for the event;
  3. Receipts are required for hotel expenses. Meal expenses under the federal per diem allowance limits do not require receipts;
  4. In any case in which the total per diem reimbursement is greater than the federal per diem rate, except when the going rate for lodging at the site of the convention or meeting exceeds federal per diem rates, the costs will be considered to be excessive and shall not be paid by District funds;

5. The District will patronize hotels and motels that offer special rates to government employees unless alternative lodging offers greater cost benefits; and
6. Payment or reimbursement is approved for the full cost of an official convention meal that the employee or Board member attends when the meal is scheduled as an integral part of the convention or conference proceedings. If a meal is included in the registration fee, the allowance for the meal is not eligible for reimbursement.

Blanket or general pre-approval for travel is not authorized and will not be permitted by the Board. Specifically, approval shall be itemized by event, event total cost, a number of employees and school board members attending the event. However a Board may also approve, at any time prior to the event, travel for multiple months as long as the Board approval, as detailed in school board minutes, itemizes the approval by event, total cost, number of employees and Board members attending the event.

#### **Types of Expenditures Not Eligible for Reimbursement**

Unnecessary and excessive travel expenditures as listed in N.J.A.C. 6A:23A-7.8 are prohibited. Prohibited types of expenditures include: travel by spouses and other relatives; costs for unnecessary employee attendance (i.e., employees who merely coordinate other attendees' accommodations at the travel event); charges for laundry, valet service and entertainment; District payment for alcoholic beverages; excessive tipping and gratuities; airfare without documentation of at least three (3) price quotes; and souvenirs.

#### **Penalties**

The Board by this policy informs its members and employees that the penalties set by State law for violating this policy may include:

- A. By law, any district board of education that violates its established maximum travel expenditure, or that otherwise is not in compliance with the travel limitations set forth in this section may be subject to sanctions by the Commissioner, including reduction of State aid in an amount equal to any excess expenditure.
- B. A person who approves any travel in violation of the Board's policy or this section shall be required to reimburse the District in an amount equal to three times the cost associated with attending the event.
- C. An employee or member of the board of education who travels in violation of the Board's policy or this section shall be required to reimburse the

District in an amount equal to three times the cost associated with attending the event.

The Superintendent or his/her designee may develop regulations to implement this policy.

Date: July 9, 2007

Reviewed/Revised: April 27, 2009

<b>Legal References:</b>	N.J.S.A. 18A:2-1	Power to effectuate action
	N.J.S.A. 18A:4-23	Supervision of schools; enforcement of rules
	N.J.S.A. 18A:4-24	Determining efficiency of schools; report to state Board
	N.J.S.A. 18A:11-1	General mandatory powers and duties
	N.J.S.A. 18A:12-4	Compensation of members
	N.J.S.A. 18A:12-24	School Ethics Act
	N.J.S.A. 18A:12-24.1	Code of Ethics
	N.J.S.A. 18A:55-3	School districts, conditions for receipt of State aid; efficiency standards
	N.J.A.C. 6A:23A-1.1 <i>et seq.</i>	Fiscal Accountability, Efficiency and Budgeting Procedures
	P.L. 2005, c.132	Appropriations Act
	P.L. 2007, c. 52	A5, provides for various school district accountability measures

In the Matter of Anthony Esgro, Luis Perez, Clifford Meeks and Frank Speziali, Glassboro Board of Education, CO7-97, March 30, 1998

New Jersey State Department of the Treasury, Office of Management and Budget in circular number 08-19-OMB (March 17, 2008)

**Possible Cross References:**

3571	Financial reports
9200	Orientation and training of Board members
9270	Conflict of interest