

SENATE, No. 1495

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

SYNOPSIS

Requires Type I school districts and charter schools to establish citizen budget oversight committee to monitor district's or charter school's financial position.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the establishment of citizen budget oversight
2 committees in Type I school districts and charter schools and
3 supplementing chapters 22 and 36A of Title 18A of the New
4 Jersey Statutes.

5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*

8
9 1. a. The board of education of a Type I school district shall
10 establish a citizen budget oversight committee. The committee
11 shall act as an advisor to the board of education and work with the
12 board to monitor the financial position of the school district. The
13 committee shall have access to financial documents and financial
14 information of the school district that are relevant to the financial
15 position of the school district, subject to redaction of information
16 deemed to be confidential for the purposes of P.L.1963, c.73
17 (C.47:1A-1 et seq.).

18 The committee's responsibilities shall include, but need not be
19 limited to:

20 (1) Reviewing the school district's revenues and expenditures
21 on a monthly basis with the school business administrator and
22 reporting monthly to the entire board of education on the financial
23 status of the district and the committee's activities;

24 (2) At the discretion of the committee or at the request of a
25 majority of the board of education, providing a review, analysis,
26 and recommendations regarding special district initiatives or the
27 school district budget;

28 (3) Reviewing the school district's recommended school tax
29 levy; and

30 (4) Making information requests to the board of education
31 through a person designated by the board to be its committee
32 liaison.

33 b. The citizen budget oversight committee shall consist of at
34 least five members, including parents with students enrolled in the
35 school district, educators residing in the school district, and
36 taxpayers residing in the school district. To the extent feasible, at
37 least two of the members shall have the educational or vocational
38 expertise to review financial statements.

39 The board of education shall post membership openings for the
40 citizen budget oversight committee on the school district's website
41 and in a prominent location in each school building at least 15
42 working days prior to the start of the selection process. The board
43 of education shall designate a selection committee comprised of two
44 educators from the school district, one of whom shall be a teacher, a
45 member of the board of education, and at least two parents or
46 community members who are not school district employees or
47 members of the board of education. The selection committee shall
48 evaluate applications submitted by individuals seeking appointment

1 to the citizen budget oversight committee and, using a rubric
2 designated by the Department of Education, identify individuals for
3 the citizen budget oversight committee. The individuals identified
4 by the selection committee shall be presented to the board of
5 education for approval at a regular meeting of the board.

6 The Department of Education shall develop a model application
7 form for membership on the citizen budget oversight committee,
8 which shall be made available to all Type I school districts. The
9 model membership application form shall include, but need not be
10 limited to, the following information: name and address;
11 identification of any potential conflicts of interest; educational
12 background; experience; and a statement of interest for participation
13 on the committee. The school district may include on its
14 application form requests for additional information that it deems
15 appropriate for evaluating individuals interested in becoming
16 members of the committee.

17 c. A member of the citizen budget oversight committee shall
18 serve for a term of two years and until his successor is appointed,
19 except that the members first appointed shall serve for staggered
20 terms determined by the board of education. An individual's
21 appointment to the committee may be terminated by the board of
22 education for an identified conflict of interest, a lack of
23 participation, or any other act deemed by the board of education as
24 detrimental to the successful support of the district.

25 d. The citizen budget oversight committee shall select, by a
26 majority vote of the members of the committee, a chairperson, co-
27 chairperson, and recording secretary from among its members.

28 e. Members of the citizen budget oversight committee shall
29 serve without compensation, but shall be eligible for reimbursement
30 for necessary and reasonable expenses incurred in the performance
31 of their official duties, within the limits of funds appropriated or
32 otherwise made available to the committee for its purposes.

33 f. Each new member of the citizen budget oversight committee
34 shall complete a training program developed by the Department of
35 Education within the first two months of the member's first term.
36 The training program shall, at a minimum, consist of two hours and
37 cover the following topics: an overview of the school district budget
38 process and timelines; instruction in the basic rules of budgeting,
39 including State funds, local funds, and federal funds; and reporting
40 requirements.

41
42 2. a. The board of trustees of a charter school shall establish
43 a citizen budget oversight committee. The committee shall act as
44 an advisor to the board of trustees and work with the board to
45 monitor the financial position of the charter school. The committee
46 shall have access to financial documents and financial information
47 of the charter school that are relevant to the financial position of the

1 charter school, subject to redaction of information deemed to be
2 confidential for the purposes of P.L.1963, c.73 (C.47:1A-1 et seq.).

3 The committee's responsibilities shall include, but need not be
4 limited to:

5 (1) Reviewing the charter school's revenues and expenditures
6 on a monthly basis with the school business administrator and
7 reporting monthly to the entire board of trustees on the financial
8 status of the charter school and the committee's activities;

9 (2) At the discretion of the committee or at the request of a
10 majority of the board of trustees, providing a review, analysis, and
11 recommendations regarding special charter school initiatives or the
12 charter school budget; and

13 (3) Making information requests to the board of trustees through
14 a person designated by the board to be its committee liaison.

15 b. The citizen budget oversight committee shall consist of at
16 least five members, including parents with students enrolled in the
17 charter school, educators residing in the charter school district of
18 residence, and a representative from the Department of Education.
19 To the extent feasible, at least two of the members shall have the
20 educational or vocational expertise to review financial statements.

21 The board of trustees shall post membership openings for the
22 citizen budget oversight committee on the charter school's website
23 and in a prominent location in each school building at least 15
24 working days prior to the start of the selection process. The board
25 of trustees shall designate a selection committee comprised of two
26 educators from the charter school, one of whom shall be a teacher, a
27 member of the board of trustees, and at least two parents or
28 community members who are not charter school employees or
29 members of the board of trustees. The selection committee shall
30 evaluate applications submitted by individuals seeking appointment
31 to the citizen budget oversight committee and, using a rubric
32 designated by the Department of Education, identify individuals for
33 the citizen budget oversight committee. The individuals identified
34 by the selection committee shall be presented to the board of
35 trustees for approval at a regular meeting of the board.

36 The Department of Education shall develop a model application
37 form for membership on the citizen budget oversight committee,
38 which shall be made available to all charter schools. The model
39 membership application form shall include, but need not be limited
40 to, the following information: name and address; identification of
41 any potential conflicts of interest; educational background;
42 experience; and a statement of interest for participation on the
43 committee. The charter school may include on its application form
44 requests for additional information that it deems appropriate for
45 evaluating individuals interested in becoming members of the
46 committee.

47 c. A member of the citizen budget oversight committee shall
48 serve for a term of two years and until his successor is appointed,

1 except that the members first appointed shall serve for staggered
2 terms determined by the board of trustees. An individual's
3 appointment to the committee may be terminated by the board of
4 trustees for an identified conflict of interest, a lack of participation,
5 or any other act deemed by the board of trustees as detrimental to
6 the successful support of the charter school.

7 d. The citizen budget oversight committee shall select, by a
8 majority vote of the members of the committee, a chairperson, co-
9 chairperson, and recording secretary from among its members.

10 e. Members of the citizen budget oversight committee shall
11 serve without compensation, but shall be eligible for reimbursement
12 for necessary and reasonable expenses incurred in the performance
13 of their official duties, within the limits of funds appropriated or
14 otherwise made available to the committee for its purposes.

15 f. Each new member of the citizen budget oversight committee
16 shall complete a training program developed by the Department of
17 Education within the first two months of the member's first term.
18 The training program shall, at a minimum, consist of two hours and
19 cover the following topics: an overview of the charter school budget
20 process and timelines; instruction in the basic rules of budgeting,
21 including State funds, local funds, and federal funds; and reporting
22 requirements.

23
24 3. This act shall take effect immediately and shall first apply to
25 the first full school year following the date of enactment.
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28 STATEMENT

29
30 This bill requires that the board of education of a Type I school
31 district and the board of trustees of a charter school establish a
32 citizen budget oversight committee. The committee would act as an
33 advisor to the board and work with the board to monitor the
34 financial position of the school district or charter school. The
35 committee's responsibilities would include, but need not be limited
36 to:

37 (1) Reviewing the school district's or charter school's revenues
38 and expenditures on a monthly basis with the school business
39 administrator and reporting monthly to the entire board on the
40 financial status of the district or charter school and the committee's
41 activities;

42 (2) At the discretion of the committee or at the request of a
43 majority of the board, providing a review, analysis, and
44 recommendations regarding special school district or charter school
45 initiatives or the school district or charter school budget; and

46 (3) Making information requests to the board through a person
47 designated by the board to be its committee liaison.

1 In the case of a committee established in a Type I school district,
2 the committee will also review the school district's recommended
3 school tax levy.

4 The citizen budget oversight committee would consist of at least
5 five members with, to the extent feasible, at least two of the
6 members having the educational or vocational expertise to review
7 financial statements. For a Type I school district, the committee
8 will consist of parents, educators, and taxpayers residing in the
9 school district. For a charter school, the committee will consist of
10 parents with students in the charter school, educators residing in the
11 charter school district of residence, and a representative of the
12 Department of Education. A selection committee designated by the
13 board will evaluate applications submitted by individuals seeking
14 appointment to the citizen budget oversight committee and present
15 the candidates it has identified to the board of education or board of
16 trustees for approval at a regular meeting of the board.

17 Each new member of the citizen budget oversight committee will
18 be required to complete a training program developed by the
19 Department of Education within the first two months of the
20 member's first term. The training program will consist, at a
21 minimum, of two hours and cover the following topics: an overview
22 of the school district or charter school budget process and timelines;
23 instruction in the basic rules of budgeting; and reporting
24 requirements.