



District Checks Writing Responsibility

Question:

As a Vice Chairperson I co-sign checks. Am I legally responsible for the correctness and validity of these checks?

Answer:

As a Director and as a Vice-Chairperson who co-signs school checks, you are not legally responsible for the correctness and validity of school checks in the same manner you would be for your own personal financial transactions. In other words, a vendor or bank cannot and is not going to go after you personally for some type of an error or misappropriation. Aside from the legal issues, it is also a terrible PR issue when a problem does arise.

I do respect and appreciate your concern with regard to making sure the checks that you are signing are accurate and valid. It is a reality that mistakes are sometimes made as well as an unfortunate reality that there are, on occasion, situations of inappropriate fiscal activities. Having safety measures and task separation aids in preventing these problems and catching errors.

Approval of bills and signature of those related checks is controlled by Board Policy and Board action. Certainly the Board sees the monthly financial reports and you, as a co-signer of the bills, can compare those financial reports and monthly bills for approval with what you are signing. That is a minimum level of double checking to make sure all is accurate and valid. I have also seen situations where the board member who signs the checks goes into the business office and reviews the invoices for the checks that they are signing, as they sign the bills for the District. This is probably the safest manner in which you can prevent problems and address your concerns.

As a side note, ask your Business Manager and Superintendent whether or not there is a fidelity bond to address any duties and responsibilities of the Treasurer and Business Office.

contact us with your question:



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