



**CHARTER REVIEW COMMISSION**

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**AGENDA OF THE CHARTER REVIEW COMMISSION**  
**CUMBERLAND PUBLIC LIBRARY COMMUNITY MEETING ROOM**  
**1464 DIAMOND HILL ROAD, CUMBERLAND RI 02864**  
**TUESDAY, MAY 18, 2010 at 6:00P.M.**

**1. Call to order**

**2. General Announcements**

**3. Communications**

**4. Old Business**

**5. New Business**

**A. Proposed Charter Language Clarification and Changes – Submitted by Bruce Lemois**

To: Town Council  
Mayor McKee  
School Committee  
Superintendent Morelle

Date: April 26, 2010

Re: Proposed Charter Language Clarification and Changes

Thank you for taking the time to review this information.

This information is presented with the intent of:

- Clarifying current language contained in the Cumberland Town Charter
- Proposing changes to allow this language to be fulfilled
- Proposing changes to operate the Town and School Department business in a more efficient manor
- To merge the school business office with the town finance department for the purpose of financial record keeping

It is NOT intended to:

- Change the position of control over school obligations and/or revenue
- Diminish the position of the School Committee over these funds

Sections of R.I.G.L.s and our charter are not being fulfilled. Specifically Article 14 section E requires the Town Finance Department to maintain the records of the School Department's expenditures and posting same to the its department budget. The Finance Department is also responsible to keep the School Department informed of the status of its various accounts. These sections are not followed and the department is not set up to do so without the proposed changes.

Included are sections of the Cumberland Town Charter as well as various RI general laws. These laws, in my opinion, support this proposal and at the very least allow the Town and School Committee to reorganize the business departments to a more efficient operation. I hope to engage with you to ensure that this change continues to follow RI general laws and gather support to place this on the list of charter changes that will be presented to the General Assembly and ultimately allowing for an up or down vote by the voters of Cumberland in November.

Thank you,



Bruce A. Lemois

## **Supporting information for the merger of the School Department's Business Office and Town's Finance Department**

The following information is provided to support the proposal to merge the School Department's Business Office with the Town Finance Department solely in the area of financial record keeping. There is no intention that the Town's Finance Department, Town Council or Mayor should start to control school finances. This proposal is to make our town government more efficient as well as allow certain areas of the RI general laws and Town Charter to be fulfilled.

Included in this proposal:

- Areas of the Town Charter showing support and/or needing to be fulfilled
- Areas of the RI general law showing support and/or needing to be fulfilled
- The proposed changes to the Town Charter

It can not be said enough that this proposal is not intended to move the control of the School funds away from the School Department or Committee. This is merely to merge the departments and allow the Town's Finance Department to fulfill its responsibility of maintaining records, paying bills, processing payroll and monitoring the budgets for the Town and School Department.

As the Town has the greater responsibility to manage funds, has the taxing authority and other general financial obligations, this will allow the School Department to further focus on the educational needs of our Town.

I am sure we will hear issues such as:

“This is not that simple”

Nothing is, when it is not supported. It really is simple; as this proposal is merely trying to merge the financial record keeping duties. It also causes increased communication between the School department and Town something that we all see that is needed and will be a greater benefit.

“Not allowed in State law”

I believe it is, but let's say it isn't. It surely is allowed to occur by agreement between the Town and School Committee. This proposal will require, by a vote of the electors of our Town, that the School Committee cause this to happen in cooperation with the Town.

“Who does the Finance Director report to?”

The Mayor; as this change only pertains to maintaining records and will not change the decision making process over school funds, the Finance Director would only provide information to the School Department.

“What is the cost savings?”

At this point this format would call for only one manager/director to manage the Town’s financial information. Could there be more savings going forward? Maybe, but we would need to allow the manager to get in place and reorganize to maximum efficiency. It should be supported that any and all savings shall be directed to the School Department.

This is not done to first provide a big cost savings, though doing this for the pure reason of that it is the common sense thing to do will result in a savings. That amount should not be the focus, but a significant result.

As the RI general laws and the Town’s charter show, there are areas that are not being fulfilled. This realignment will allow for the efficient management of these specific areas. They are highlighted within the list provided.

Again thank you for your time and I hope to have your support; first to vote to put this on the ballot in November and ultimately your support for that vote.

### **Areas of the Cumberland Town Charter that are either supporting of or showing the ability for this merger**

#### **Section 905 – Finance Director – Duties and Powers**

E. *Exercise control over all expenditures by pre-auditing all bills, invoices, payrolls or other evidences of claims or charges against the Town, and see that budget appropriations are not exceeded by disbursements in any department, office or agency of the Town including the School Department.*

F. *Payout the funds by check such payments being made only after compliance with provisions of (F) above and authorized by the Town Council.*

H. *Prescribe and maintain an accounting system for the Town government, and adopt and require standard accounting procedures for all departments, offices and agencies of the Town, including the School Department, which accounts shall include the amounts of all appropriations, and the amounts paid from each, and show in reasonable detail the persons to whom and the purposes for which the payments were made, the unpaid obligations against each and the unencumbered balance and require reports of receipts and disbursements from each receiving and spending agency of the Town government including the School Department, to be made monthly or at such more frequent intervals as the Town Council may ordain.*

I. *Prescribe uniform forms of receipts, vouchers, bills and claims to be used by all departments, offices and agencies of the Town, including the School Department.*

#### **Section 1406 - Powers and Duties of the School Committee**

E. *The Finance Department of the Town shall have the responsibility of maintaining records of all expenditures and obligations of funds by the School Department, of charging the same to the various line items in the school budget, and of keeping the school Department informed of the status of its various accounts.*

**(Please note that this section describes responsibilities of the Finance Director and is located with in the Article outlining the School Committee.)**

### **Areas of the Rhode Island State general laws that either support or show the ability for this merger**

§ 16-2-9 General powers and duties of school committees. –

(a) The entire care, control, and management of all public school interests of the several cities and towns shall be vested in the school committees of the several cities and towns. School committees shall have, in addition to those enumerated in this title, the following powers and duties:

(1) To identify educational needs in the community.

(2) To develop education policies to meet the needs of the community.

(3) To provide for and assure the implementation of federal and state laws, the regulations of the board of regents for elementary and secondary education, and of local school policies, programs, and directives.

(4) To provide for the evaluation of the performance of the school system.

(5) To have responsibility for the care and control of local schools

(6) To have overall policy responsibility for the employment and discipline of school department personnel.

(7) To approve a master plan defining goals and objectives of the school system. These goals and objectives shall be expressed in terms of what men and women should know and be able to do as a result of their educational experience. The committee shall periodically evaluate the efforts and results of education in light of these objectives.

(Please note that there are many specific responsibilities listed, none being Business)

(8) To provide for the location, care, control, and management of school facilities and equipment.

(Except for ownership of the buildings and land; also they can give the responsibility to the Town, as done with Tucker field and various other projects we have managed, completed and paid for.)

(9) To adopt a school budget to submit to the local appropriating authority

(Please note that the budget is submitted to the Town.)

(10) To adopt any changes in the school budget during the course of the school year.

(Please note, not looking to take this over; just the recording and payment of checks as well as payroll, after they approve.)

(11) To approve expenditures in the absence of a budget, consistent with state law.

(Please note, not looking to change this.)

(12) To employ a superintendent of schools and assign any compensation and other terms and conditions as the school committee and superintendent shall agree, provided that in no event shall the term of employment of the superintendent exceed three (3) years. Nothing contained in this chapter shall be construed as invalidating or impairing a contract of a school committee with a school superintendent in force on May 12, 1978.

(Please note, the superintendent is the only employee defined)

(13) To give advice and consent on the appointment by the superintendent of all school department personnel.

(14) To establish minimum standards for personnel, to adopt personnel policies, and to approve a table of organization.

(Please note, this actually gives them the right to change personnel policies and change the table of organization.)

(15) To establish standards for the evaluation of personnel.

(16) To establish standards for conduct in the schools and for disciplinary actions.

- (17) To hear appeals from disciplinary actions.
- (18) To enter into contracts.
- (19) To publish policy manuals which shall include all school committee policies.
- (20) To establish policies governing curriculum, courses of instruction and text books.
- (21) To provide for transportation services which meet or exceed standards of the board of regents for elementary and secondary education.

(Please note, transportation is the only specific non-education function spell out.)

(22) To make any reports to the department of education as are required by the board of regents for elementary and secondary education.

(23) To delegate, consistent with law, any responsibilities to the superintendent as the committee may deem appropriate.

(24) To address the health and wellness of students and employees.

(25) To establish a subcommittee of the school board or committee to decrease obesity and address school health and wellness policies for students and employees consistent with § 16-21-28.

(b) Nothing in this section shall be deemed to limit or interfere with the rights of teachers and other school employees to collectively bargain pursuant to chapters 9.3 and 9.4 of title 28 or to allow any school committee to abrogate any agreement reached by collective bargaining.

(c) The school committees of each city, town, or regional school district shall have the power to bind their successors and successor committees by entering into contracts of employment in the exercise of their governmental functions.

(d) Notwithstanding any provisions of the general laws to the contrary, the requirement defined in subsections (d) through (f) of this section shall apply. The school committee of each school district shall be responsible for maintaining a school budget which does not result in a debt.

(Please note, not looking to take this responsibility away.)

(e) The school committee shall, within thirty (30) days after the close of the first (By December 1<sup>st</sup>) and second (By March 1) quarters of the state's fiscal year, adopt a budget as may be necessary to enable it to operate without incurring a debt, as described in subsection (d).

(Please note, not looking to take this responsibility away.)

(f) In the event that any obligation, encumbrance, or expenditure by a superintendent of schools or a school committee is in excess of the amount budgeted or that any revenue is less than the amount budgeted, the school committee shall within five (5) working days of its discovery of potential or actual over expenditure or revenue deficiency submit a written statement of the amount of and cause for the over obligation or over expenditure or revenue deficiency to the city or town council president and any other person who by local charter or statute serves as the city or town's executive officer; the statement shall further include a statement of the school committee's plan for corrective actions necessary to meet the requirements of subsection (d). The plan shall be approved by the auditor general.

(Please note, shows that the School Department is responsible to subject to the Town Council President and/or Mayor.)

(g) Notwithstanding any other provision of law, whether of general or specific application, and notwithstanding any contrary provision of any city or town charter or ordinance, the elected school committee of any city, town and regional school district shall be, and is hereby authorized to retain the services of such independent legal counsel as it may deem necessary and convenient. Any counsel so retained shall be compensated out of funds

duly appropriated to the school committee, and in no event shall the independent counsel be deemed to be an employee of the pertinent city or town for any purpose.

(Please note; according to this section; if we had a charter section saying no to a school counsel they could not hire one. Another area showing the School Committee is subject to the Town, in this case the charter.)

**§ 16-2-11 General powers and duties of superintendent. –**

(a) The superintendent of schools employed in accordance with the provisions of this chapter shall, under the direction of the school committee, have the care and supervision of the public schools and shall be the chief administrative agent of the school committee. The superintendent shall have any duties as are defined in this section and in this title and any other duties as may be determined by the school committee, and shall perform any other duties as may be vested in him or her by law. In addition to the care and supervision of public schools and the appointment of employees of the district, it shall be the duty of the superintendent:

- (1) To implement policies established by the school committee.
- (2) To recommend educational plans, policies, and programs to meet the needs of the district.
- (3) To recommend policies governing curriculum, courses of instruction, textbooks, and transportation of students.
- (4) To comply with provisions of federal and state law and local charter provisions and ordinances.
- (5) To have administrative responsibility for the school system.

(Please note, as with other areas similar to this, it doesn't stop delegation as done in the past for various projects.)

- (6) To oversee the care, control, and management of school facilities and equipment.
- (7) To appoint all school department personnel with the consent of the school committee.
- (8) To administer the personnel function of the school department consistent with personnel standards, policies, and the table of organization established by the school committee.

(Please note: Specifically calls out to administer personnel, not business)

- (9) To provide for the evaluation of department personnel.
- (10) To prepare a school budget for consideration by the school committee.
- (11) To authorize purchases consistent with the adopted school budget, policies and directives of the school committee, and applicable municipal policies, ordinances, and charter provisions.

(Certainly shows the super to be subject to ordinances and charter)

- (12) To be responsible for keeping the records of the school system.

(Educational or Financial; if financial doesn't stop the delegation.)

- (13) To report to the school committee on a regular basis the financial condition of the school system.

(Please note, to report, not stopping a combined department.)

- (14) To be responsible for discipline in the school system.
- (15) To evaluate all schools within the school system and to report to the school committee the conformity with regulations of the board of regents and the policies, programs, and directives of the school committee.
- (16) To report to the school committee on the operation of the school system, including an annual report on the district's progress.

(b) Nothing in this section shall be deemed to limit or interfere with the rights of teachers and other school employees to collectively bargain pursuant to chapters 9.3 and 9.4 of title 28, or to allow any school superintendent to abrogate any agreement reached by collective bargaining.

(c) If at any time during the fiscal year the superintendent of schools determines, or is notified by the city or town chief charter officer or treasurer, that the estimated school expenses may exceed all revenue appropriated by the state or city or town or otherwise for public schools in the city or town, the superintendent of schools shall recommend to the school committee and shall, in order to provide for continuous regular public school operations consistent with the requirements of § 16-2-2 without regard to financial conditions, subsequently report to the city or town treasurer and chief charter officer what action will be taken to prevent an excess of expenditures, encumbrances, and accruals over revenues for public schools in the city or town.

(Please note, shows that 1. The Town shall know about the finances of the School and that 2. The superintendent is responsible to the Town Chief Charter Officer or Treasurer.)

### **§ 16-2-21 Pre-budget consultation – Annual reports – Appropriation requests – Budgets. –**

(a) At least sixty (60) days but not more than ninety (90) days prior to the formal submission of the school budget to the appropriate city or town officials by the school committee, there shall be a joint pre-budget meeting between the school committee and the city or town council(s). At or before this meeting:

(1) The highest elected official of the city or town shall submit to the school committee an estimate, prepared in a manner approved by the department of administration, of projected revenues for the next fiscal year. In the case of the property tax, the projections shall include only changes in the property tax base, not property tax rates;

(Please note, not looking for any changes.)

(2) The school committee shall submit to the city or town council a statement for the next ensuing fiscal year of anticipated total expenditures, projected enrollments with resultant staff and facility requirements, and any necessary or mandated changes in school programs or operations; and

(Please note, not looking for any changes.)

(3) The school committee shall prepare and submit, annually, to the department of elementary and secondary education, on or before the first day of August, a report in the manner and form prescribed by the state board of regents for elementary and secondary education; the committee shall also prepare not less than thirty (30) days before the date of the annual financial town meeting, or the date of the meeting of the city council at which annual appropriations are made, on forms prescribed and furnished by the department of elementary and secondary education, the estimates and recommendations of the amounts necessary to be appropriated for the support of public schools for the fiscal year ensuing; provided, that a copy of these estimates and recommendations shall be sent to the department of elementary and secondary education, and until the report is made, and if the estimates and recommendations are not presented to the department, it may refuse to draw its orders for the money in the state treasury apportioned to the city or town; provided, that the necessary blank for the report has been furnished by the department on or before the first day of June, next preceding, and the necessary forms for the estimates and recommendations shall have been furnished by the department not less than sixty (60) days before the date of the annual appropriations meeting of the city council; the committee shall also prepare and submit annually to the department of elementary and secondary education and at the annual financial town meeting a report to the city or town, setting forth its doings, the state and condition of the schools, and plans for their improvement, which report, unless printed, shall be read in open meeting; and if printed, at least three (3) copies shall be transmitted to the department on or before the day of the annual financial town meeting in each year.

(Please note, showing the School System responsible to the Town and to RIDE.)

(b) If the amount appropriated by the town meeting, the city or town council, or budget referendum is either more or less than the amount recommended and requested by the school committee, the school committee shall, within thirty (30) days after the appropriation is made, amend its estimates and recommendations so that expenses are no greater than the total of all revenue appropriated by the state or town or provided for public schools under the care, control, and management of the school committee. .

**(Please note, showing the School System responsible to the Town and to RIDE.)**

(c) Only a school budget in which total expenses are less than or equal to appropriations and revenues shall be considered an adopted school budget.

(d) Notwithstanding any provision of the general or public laws to the contrary:

(i) the budget adopted and presented by any school committee for the fiscal year 2008 shall not propose the appropriation of municipal funds (exclusive of state and federal aid) in excess of one hundred five and one-quarter percent (105.25%) of the total of municipal funds appropriated by the city or town council for school purposes for fiscal year 2007;

(ii) the budget adopted and presented by any school committee for the fiscal year 2009 shall not propose the appropriation of municipal funds (exclusive of state and federal aid) in excess of one hundred five percent (105%) of the total of municipal funds appropriated by the city or town council for school purposes for fiscal year 2008;

(iii) the budget adopted and presented by any school committee for the fiscal year 2010 shall not propose the appropriation of municipal funds (exclusive of state and federal aid) in excess of one hundred four and three-quarters percent (104.75%) of the total of municipal funds appropriated by the city or town council for school purposes for fiscal year 2009;

(iv) the budget adopted and presented by any school committee for the fiscal year 2011 shall not propose the appropriation of municipal funds (exclusive of state and federal aid) in excess of one hundred four and one-half percent (104.5%) of the total of municipal funds appropriated by the city or town council for school purposes for fiscal year 2010;

(v) the budget adopted and presented by any school committee for the fiscal year 2012 shall not propose the appropriation of municipal funds (exclusive of state and federal aid) in excess of one hundred four and one-quarter percent (104.25%) of the total of municipal funds appropriated by the city or town council for school purposes for fiscal year 2011; and

(vi) the budget adopted and presented by any school committee for the fiscal year 2013 and for each fiscal year thereafter shall not propose the appropriation of municipal funds (exclusive of state and federal aid) in excess of one hundred four percent (104%) of the total of municipal funds appropriated by the city or town council for school purposes for fiscal year 2012.

(e) Notwithstanding any provision of the general or public laws to the contrary, any judgment rendered pursuant to subsection 16-2-21.4(b) shall consider the percentage caps on school district budgets set forth in subsection (d) of this section.

§ 16-2-21.3 Meetings with city and town councils. –

For the purposes of §§ 16-2-21 and 16-2-21.2, the term "town or city council" means the town or city council or other elected body charged by either local charter or public law with either preparing the budget for submission to town meeting or for final adoption of the budget. Meetings between the town or city council, as defined, and the school committee shall be held under the provision of law governing the meetings of the council. The school committee of a regional school district shall meet independently with the council of each town or city within the regional school district.

**(Please note, showing the School System responsible to the Town, the Council in this matter.)**

**§ 16-2-21.4 School budgets – Compliance with certain requirements. –**

(a) Notwithstanding any provision of the general or public laws to the contrary, whenever a city, town, or regional school committee determines that its budget is insufficient to comply with the provisions of § 16-2-21, 16-7-23, or 16-7-24, the city, town, or regional school committee shall adhere to the appropriated budget or the provisions of § 16-2-23 (see below) in the absence of an appropriated budget. The chairperson of the city, town, or regional school committee, in accordance with the provisions of § 16-2-9, shall be required to petition the commissioner, in writing, to seek alternatives for the district to comply with state regulations and/or provide waivers to state regulations and, in particular, those which are more restrictive than federal regulations that allow the school committee to operate with a balanced budget. (Calls for waivers rather than raising taxes.) Waivers which affect the health and safety of students and staff or which violate the provisions of chapter 24 of this title shall not be granted. The commissioner must consider alternatives for districts to comply with regulations and/or provide waivers to regulations in order that the school committee may operate with a balanced budget within the previously authorized appropriation. In the petition to the commissioner, the school committee shall be required to identify the alternatives to meet regulations and/or identify the waivers it seeks in order to provide the commissioner with the revised budget which allows it to have a balanced budget within the previously authorized appropriation. The commissioner shall respond within fifteen (15) calendar days from the date of the written petition from the school committee. If the commissioner does not approve of the alternatives to meet regulations or the waivers from regulations which are sought by the school committee, or if the commissioner does not approve of the modified expenditure plan submitted by the school committee, then: (1) within ten (10) days of receiving the commissioner's response, the school committee may submit a written request to the city or town council for the council of the municipality to decide whether to increase the appropriation for schools to meet expenditures. The decision to increase any appropriations shall be conducted pursuant to the local charter (Subject to Charter) or the public law controlling the approval of appropriations within the municipality; or (2) in a regional school district, the chairperson of the school committee may, within ten (10) days of receiving the commissioner's response, submit a written request to the chief elected official of each of the municipalities to request that the city or town council in each of their respective towns meet to decide whether or not to increase the appropriation for schools to meet expenditures. The decision to increase any appropriations shall be conducted pursuant to the local charter or the public law controlling the approval of appropriations within the municipality. (Subject to Charter)

(b) In the event of a negative vote by the appropriating authority, the school committee shall have the right to seek additional appropriations by bringing an action in the superior court for the county of Providence and shall be required to demonstrate that the school committee lacks the ability to adequately run the schools for that school year with a balanced budget within the previously authorized appropriation or in accordance with §§ 16-2-21, 16-2-23, 16-7-23, and 16-7-24. In no event shall any court order obtained by the school committee have force and effect for any period longer than the fiscal year for which the litigation is brought. Any action filed pursuant to this section shall be set down for a hearing at the earliest possible time and shall be given precedence over all matters except older matters of the same character. The court shall render its decision within thirty (30) days of the close of the hearings. Upon the bringing of an action in the superior court by the school committee to increase appropriations, the chief executive officer of the municipality, or in the case of a regional school district the chief elected officials from each of the member municipalities, shall cause to have a financial and performance audit in compliance with the generally acceptable governmental auditing standards of the school department conducted by the auditor general, the bureau of audits, or a certified public accounting firm qualified in performance audits. The results of the audit shall be made public upon completion and paid for by the school committee to the state or private certified public accounting firm.

(c) The auditor general shall select the auditor if the audit is not directly performed by his or her office.

**§ 16-2-23 Expenditures pending annual appropriation. –**

The school committee, in the interval between the close of the city or town fiscal year and the making of the annual appropriations for the support of public schools, may expend for public school purposes the unexpended balance remaining in the treasury from the school appropriation of the expired fiscal year, and for each month a

sum of money not exceeding one-twelfth (1/12) of the amount appropriated in the preceding year for the support of public schools, and the city or town treasurer shall pay orders drawn by the school committee in accordance with the provisions of this section from any money in the city or town treasury not otherwise appropriated.

(Please note, states that the Town Treasurer shall pay orders (P.O.s) drawn by the school committee, again showing the Town can pay the School Systems bills)

**§ 16-7-28 Separate revenue and expenditure records kept by school communities.**

– **The communities shall provide for the keeping** of separate revenue and expenditure records for all school purposes including capital expenditures on any forms and in any manner that the commissioner of elementary and secondary education may prescribe.

**§ 16-9-1 Receipt and payment of school funds by town treasurer. –**

The town treasurer shall receive the money due the town from the state for public schools, and shall keep a separate accounting of all money appropriated by the state or town or otherwise for public schools in the town, and shall pay the money to the order of the school committee; provided, however, that school expenditures, encumbrances, and accruals shall not, in any fiscal year, exceed the total revenue appropriated for public schools in the town. Should the town treasurer, finance director, or other charter officer charged with general responsibility for town finances, or the school financial officer, estimate that actual public school expenditures, encumbrances, and accruals may exceed the total revenue appropriated for the expenditures in any fiscal year, the school committee, the superintendent of schools, and the chief elected officials of the town shall be notified. Purchase orders or financial commitments shall not be authorized even on the order of the school committee unless it can be proven that there will not be an excess of expenditures, encumbrances, and accruals over revenues. Nothing contained in this section shall be construed to prohibit a school committee from negotiating and contracting with school employees and teachers for services to be rendered in the ensuing fiscal years pursuant to chapters 9.3 and 9.4 of title 28.

(Please note that this states: “The town treasurer shall receive the money” also “Should Town’s finance director OR school financial officer” also that all Town leaders be notified.)

**§ 45-12-22.2 Monitoring of financial operations – Corrective action. –**

(a) **The chief financial officer of each municipality and each school district within the state shall continuously monitor their financial operations by tracking actual versus budgeted revenue and expense.**

(Please note, gives responsibility to Finance Director)

(b) The chief financial officer of the municipality shall submit a report on a monthly basis to the municipality's chief executive officer, each member of the city or town council, and school district committee certifying the status of the municipal budget including the school department budget or regional school district. The chief financial officer of the municipality shall also submit a report on a quarterly basis to the division of property valuation certifying the status of the municipal budget. The chief financial officer of the school department or school district shall certify the status of the school district's budget and shall assist in the preparation of these reports. The monthly and quarterly reports shall be in a format prescribed by the division of property valuation and the state auditor general. The reports shall contain a statement as to whether any actual or projected shortfalls in budget line items are expected to result in a year-end deficit, the projected impact on year-end financial results including all accruals and encumbrances, and how the municipality and school district plans to address any such shortfalls.

(Please note, does not preclude from being one finance director)

(c) If any reports required under this section project a year-end deficit, the chief financial officer of the municipality shall submit to the state office of municipal affairs a corrective action plan no later than thirty (30) days after completion of the monthly budget analysis referred to in subsection (b) above, which provides for the avoidance of a year-end deficit. The plan may include recommendations as to whether an increase in property taxes and/or spending cuts should be adopted to eliminate the deficit. The plan shall include a legal opinion by municipal counsel that the proposed actions under the plan are permissible under federal, state, and local law. The state office of municipal affairs may rely on the written representations made by the municipality in the plan and will not be required to perform an audit.

(Please note, puts responsibility on finance director)

(d) If the division of property valuation concludes the plan required hereunder is insufficient and/or fails to adequately address the financial condition of the municipality, the division of property valuation can elect to pursue the remedies identified in § 45-12-22.7.

(e) The reports required shall include the financial operations of any departments or funds of municipal government including the school department or the regional school district, notwithstanding the status of the entity as a separate legal body. This provision does not eliminate the additional requirements placed on local and regional school districts by §§ 16-2-9(f) and 16-3-11(e)(3).

## **Proposed changes to Cumberland Town Charter resulting in the merger of the School Department's Business office and the Town's Finance Department**

(Sections not being changed are not listed)

### **ARTICLE IX - DEPARTMENT OF FINANCE**

901. Organization.

There shall be a Department of Finance, the head of which shall be the Finance Director who shall be appointed by the Mayor with the approval of the Town Council. **Effective July 1, 2011 there may be an Assistant Finance Director for municipal government; Assistant Finance Director for the School Department; and, accounting supervisors for both municipal and school expenditures, all of whom shall be appointed by the Mayor with the approval of the Town Council and under the control and supervision of the Finance Director.** Further organization of this department shall be as stated in this Charter and by ordinances enacted by the Town Council, to the end that the essential processes in the finances of the town **including all school expenditures,** namely, control and accounts, collection of taxes and other revenues and payments may be properly administered **in the most cost efficient manner.** [Effective July 1, 2011]

902. Finance Director.

The Finance Director shall be the Town Treasurer, the Tax Collector and the Town Controller and, subject to the provisions of this Charter and of ordinances enacted by the Town Council, is hereby vested with and shall have and exercise all the powers and duties now and hereafter vested by State law in Town Treasurers, in Tax Collectors and in Town Auditors, and shall have and all the powers and duties vested by this Charter in the office of Finance Director and in the Department of Finance or that may be vested thereafter in said office of Finance Director and said Department of Finance by resolution, ordinance, or State law, and he or she shall have charge of the administration of the financial affairs of the Town. **He/she shall, to the extent not prohibited by the General Laws of the State of Rhode Island, 1956, as amended, have full control over all municipal government and school expenditures.**

905. Finance Director – Duties and Powers.

The Finance Director shall:

H. Prescribe and maintain an accounting system for the Town government **and school department;** and adopt and require standard accounting procedures for all departments, offices and agencies of the Town, including the School Department, which accounts shall include the amounts of all appropriations, and the amounts paid from each, and show in reasonable detail the persons to whom and the purposes for which the payments were made, the unpaid obligations against each and the unencumbered balance and require reports of receipts and disbursements from each receiving and spending agency of the Town government including the School Department, to be made monthly or at such more frequent intervals as the Town Council may ordain.

J. Prepare a monthly statement of all revenues and expenditures in sufficient detail to show the financial condition of the Town for submission to the Mayor and the Town Council **as well as the School Committee** it being the duty of the Department of Finance to make sufficient copies for all departments of the Town government **including the school department** and file a copy with the Town Clerk which is made a public record.

K. Prepare as soon as possible and as of the end of each fiscal year, a complete financial statement and report, in accordance with State law, for submission to the Mayor, the Town Council, **School Committee** and the taxpayers of the Town.

#### ARTICLE XIV. SCHOOL DEPARTMENT

1406. Powers and Duties (of School Committee)

B. The finance Department of the Town shall have the responsibility of maintaining records of all expenditures and obligations of funds by the School Department, of charging the same to various line items in the school budget, and of keeping the school Department informed of the status of its various accounts.

(NOTE THERE ARE NO PROPOSED CHANGES TO SECTION 1406 PARAGRAPH B.)

F. The School Committee shall prepare a complete report of its finances and activities annually and ~~make available for public inspection copies of the report at the offices of the School Committee and the Town Clerk~~ **forward to the Finance Director of the Town for inclusion in his/her financial statement and report as set forth in Sec. 905 (K) of this Charter.** [Effective July 1, 2011

K. **The Town Council and School Committee shall, on or before July 1, 2011, take the appropriate steps to merge the present business office with the Town of Cumberland Finance Department consistent with the provisions of Article IX of this Charter. The merger shall be coordinated by a committee including the Town Finance Director, School Department Business Manager, the chairperson of the Town Council Finance Committee and School Committee Finance Chairperson along with an appointee of the Mayor. Thereafter, all Town of Cumberland financial matters shall be centrally located in the office of the Town Finance Director.**

#### 6. Public Discussion

#### 7. General discussion about the charter

#### 8. Approval of minutes for April 27, 2010

## 9. Adjournment

This meeting location is accessible to the handicapped. Individuals requiring interpreter services for the hearing impaired or need additional information should notify the Town Clerk's Office at (401) 728-2400 ext. 138 no less than 48 hours before the meeting.

**Posted: May 13, 2010**