

STATE OF RHODE ISLAND
AND
PROVIDENCE PLANTATIONS

COMMISSIONER OF EDUCATION

TIVERTON SCHOOL COMMITTEE

vs.

TIVERTON TOWN TREASURER

D E C I S I O N

August 1, 1989

The Town Treasurer of Tiverton, Rhode Island, is refusing to pay bills incurred by the Tiverton School Committee until the Committee forwards signed vouchers for the items and services which it has purchased. This is a change from the prior practice where the Treasurer paid bills on the basis of orders submitted by the School Committee. No one in this case contends that any of the bills at issue are in any way improper or unlawful.

While we think that the Town Treasurer has authority to implement any reasonable accounting method he may wish to use we do not think that this authority extends to "self-help" measures such as refusing to pay the just and lawful debts of the School Committee if it does not immediately conform its practices with his wishes. The Town Treasurer's proper remedy under such circumstances is to appeal to the Commissioner of Education to gain a ruling that the Committee must conform with the reasonable accounting method which the Treasurer may have chosen.

We should note here that school committees are elected by the people to have control over school functions of the town. The Town Treasurer, of course, is not arguing that he has any right to appoint himself as the overseer of school committee actions to decide how the school committee should, as the elected representative of the people, expend appropriated school funds. Any such argument on behalf of the Treasurer would be, of course, foreclosed by the governing case law. (e.g.) Bailey v. Duffy, 45 R.I. 304.

The statute which is at issue in this case reads as follows in pertinent part:

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 same to the order of the school committee; . . .
(Emphasis added).

We do not think that this statute, given its plain language, vests discretion in the Treasurer to refuse to pay school committee bills once he receives an "order" from the School Committee to pay them. This is a fortunate rule in that refusal to pay wages is a crime and that refusal to pay other bills (i. e., payroll taxes) will result in the imposition of penalties or expose the taxpayers to risk of serious loss (i. e., non-payment of insurance premiums). We are also aware of the fact that business people who deal with the School District are lawfully and justly entitled to the money which is due and owed to them and that failure to pay them can result in the imposition of liability against the Town. We, therefore, must rule that the Town Treasurer is obligated to pay the bills at issue on the "order" of the School Committee and that he may not refuse to pay such bills as a method of coercing compliance with the new procedures he wishes to implement. Instead, the remedy of the Treasurer is to appeal to the Commissioner to cause the School Committee to conform its practices to the accounting method which the Treasurer wishes to use.

Conclusion

1. We order the Town Treasurer to pay all bills forthwith and in the future not to refuse to pay due and owing bills as a method of coercion against the School Committee.

2. We order the School District to comply with any reasonable requests for public records by the Town Treasurer.

If we are informed that agreement on the way such documents are to be provided cannot be reached we will appoint, perhaps with the assistance of other state agencies, a Special Visitor to help and to require the parties to agree on appropriate procedures.



Forrest L. Avila, Esq.
Hearing Officer

Approved:



J. Troy Earhart
Commissioner of Education

August 1, 1989