§ 2580. Funds; custody and disbursement. 1. Public moneys apportioned to a city by the state and all funds raised or collected by the authorities in a city for school purposes or to be used by the board of education for any purpose authorized in this chapter, or any other funds belonging to a city and received from any source whatsoever for similar purposes, shall be paid into the treasury of such city and shall be credited to the board of education. The funds so received into such treasury shall be kept separate and distinct from any other funds received into the said treasury. The officer having the charge thereof shall give such additional security for the safe custody thereof as the corporate authorities of such city shall require.

2. Such funds shall be disbursed by authority of the board of education upon written orders drawn on the city treasurer or other fiscal officer of the city. Such orders shall be signed by the superintendent of schools and the secretary of the board of education or such other officers as the board may authorize. If a claims auditor shall have been appointed, orders shall be signed by the claims auditor; provided, however, that the board may require, in addition, the signature of such other officer or officers as it may by resolution direct. Orders shall be numbered consecutively and shall specify the purpose for which they are drawn and the person or corporation to whom they are payable.

3. Fixed salaries, principal of and interest on indebtedness and amounts becoming due upon lawful contracts for periods exceeding one year may be disbursed without prior audit of the board of education. By resolution duly adopted, the board may determine to enter into a contract to provide for the deposit of the periodic payroll of the school district in a bank or trust company for disbursal by it in accordance with provisions of section ninety-six-b of the banking law.

4. It shall be unlawful for a city treasurer or other officer having the custody of such city funds to permit their use for any purpose other than that for which they are lawfully authorized; they shall be paid out only on audit of the board of education or as otherwise provided herein. Payments from such funds shall be made only by checks signed by the

treasurer or other custodian of such moneys and payable to the person or persons entitled thereto and countersigned either by the comptroller, or in a city having no comptroller, by an officer designated by the officer or body having the general control of the financial affairs of such city. The board of education of such city shall make, in addition to such classification of its funds and accounts as it desires for its own use and information, such further classification of the funds under its management and control and of the disbursements thereof as the comptroller of the city, or the officer or body having the general control of the financial affairs of such city, shall require, and such board shall furnish such data in relation to such funds and their disbursements as the comptroller or such other financial officer or body of the city shall require.