

# CHARLO SCHOOL DISTRICT

**R = required**

## 7000 SERIES FINANCIAL MANAGEMENT

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1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7000

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5 Goals

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7 Because educational programs are dependent on adequate funding and the proper management of  
8 those funds, District goals can best be attained through efficient fiscal management. As trustee  
9 of local, state, and federal funds allocated for use in public education, the Board shall fulfill its  
10 responsibility to see that funds are used to achieve the intended purposes.

11  
12 Because of resource limitations, fiscal concerns often overshadow the educational program.  
13 Recognizing this, the District must take specific action to ensure that education remains primary.  
14 This concept shall be incorporated into Board operations and into all aspects of District  
15 management and operation.

16  
17 The Board seeks to achieve the following goals in the District's fiscal management:

- 18  
19 1. Engage in advance planning, with staff and community involvement, to develop budgets  
20 which will achieve the greatest educational returns in relation to dollars expended.  
21  
22 2. Establish levels of funding which shall provide superior education for District students.  
23  
24 3. Provide timely and appropriate information to staff who have fiscal responsibilities.  
25  
26 4. Establish efficient procedures in all areas of fiscal management.  
27  
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29

30 Legal Reference: Title 20, Chapter 9, MCA Finance

31  
32 Policy History:

33 Adopted on:

34 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7110

4  
5 Budget and Program Planning

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7 The annual budget is evidence of the Board’s commitment to the objectives of the instruction  
8 programs. The budget supports immediate and long-range goals and established priorities within  
9 all areas – instructional, non-instructional, and administrative programs.

10  
11 Before presentation of a proposed budget for adoption, the Superintendent and district clerk will  
12 prepare, for the Board’s consideration, recommendations (with supporting documentation)  
13 designed to meet the needs of students, within the limits of anticipated revenues.

14  
15 Program planning and budget development will provide for staff participation and the sharing of  
16 information with patrons before any action by the Board.

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20 Policy History:

21 Adopted on:

22 Revised on:

1 **Charlo Public School District**

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3 **FINANCIAL MANAGEMENT**

7121

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5 Budget Adjustments

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7 When any budgeted fund line item is in excess of the amount required, the Board may transfer  
8 any of the excess appropriation to another line item(s) within the same fund.

9  
10 The Board authorizes the administration to transfer line items within the same budgeted fund to  
11 adjust line item overdrafts or to meet special line item needs. Line item budget transfers to  
12 adjust line item overdrafts are at the discretion of the Superintendent.

13  
14 Total budget expenditures for each fund as adopted in the final budget shall constitute the  
15 appropriations of the District for the ensuing fiscal year. The Board will be limited in the  
16 incurring of expenditures to the total of such appropriations.

17  
18 With timely notice of a public meeting, trustees, by majority vote of those present, may declare  
19 by resolution that a budget amendment (in addition to the final budget) is necessary. Budget  
20 amendments are authorized for specified reasons by § 20-9-161, MCA. The resolution will state  
21 the facts of the budget amendment, the estimated amount of funds needed, and the time and place  
22 the Board will meet for the purpose of considering and adopting a budget amendment.

23  
24 The meeting to adopt a budget amendment will be open and will provide opportunity for any  
25 taxpayer to appear and be heard. Budget procedures will be consistent with statutory  
26 requirements. When applicable, the District will apply for state financial aid to supplement the  
27 amount to be collected from local taxes.

28		
29	Legal Reference:	§ 20-9-133, MCA
30		Adoption and expenditure limitations of final budget
31		§ 20-9-161, MCA
32		Definition of budget amendment for budgeting purposes
33		§ 20-9-162, MCA
34		Authorization for budget amendment adoption
35		§ 20-9-163, MCA
36		Resolution for budget amendment – petition to superintendent of public instruction
37		§ 20-9-164, MCA
38		Notice of budget amendment resolution
39		§ 20-9-165, MCA
40		Budget amendment limitation, preparation, and adoption procedures
41		§ 20-9-166, MCA
42		State financial aid for budget amendments
43		§ 20-9-208, MCA
44		Transfers among appropriation items of fund – transfers from fund to fund

43 Policy History:

44 Adopted on:

45 Revised on:

1 **Charlo Public School District**

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3 **FINANCIAL MANAGEMENT**

7210

4  
5 Revenues

6  
7 The District will seek and utilize all available sources of revenue for financing its educational  
8 programs, including revenues from non-tax, local, state, and federal sources. The District will  
9 properly credit all revenues received to appropriate funds and accounts as specified by federal  
10 and state statutes and accounting and reporting regulations for Montana school districts.

11  
12 The District will collect and deposit all direct receipts of revenues as necessary but at least once  
13 monthly. The District will make an effort to collect all revenues due from all sources, including  
14 but not limited to, rental fees, bus fees, fines, tuition fees, other fees and charges. Uncollectible  
15 checks may be turned over to the county attorney for collection.

16  
17  
18  
19 Legal Reference: § 20-9-303, MCA Non-isolated school BASE budget funding – special  
20 education funds

21  
22 Policy History:

23 Adopted on:

24 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7231  
page 1 of 2

4  
5 Federal Impact Funds

6  
7 It is the intent of the District that all American Indian children of school age have equal access to  
8 all programs, services, and activities offered in the District.

9  
10 It is also the intent of the District to fully comply with the requirements of Title VIII (Impact Aid  
11 Program) of the Elementary and Secondary Education Act and regulations relating thereto. To  
12 that end, the District shall:

- 13  
14 1. Provide tribal officials and parents of Indian children an opportunity to comment on the  
15 participation of Indian children on an equal basis in all programs and activities offered by  
16 the District;  
17  
18 2. Annually assess the extent to which Indian students are participating on an equal basis in  
19 the educational programs and activities of the District;  
20  
21 3. If and when necessary, modify its educational programs to ensure that Indian children  
22 participate on an equal basis with non-Indian children served by the District;  
23  
24 4. Disseminate annually the following materials to tribal officials and Indian parents:  
25 • Title VIII application;  
26 • Evaluation of programs assisted with Title VIII funds;  
27 • Program plans and information related to the education programs of the District.  
28

29 Such materials will be provided to tribal officials and parents of Indian children in  
30 sufficient time to allow tribal officials and parents of Indian children an opportunity to  
31 review the materials and make recommendations on the needs of Indian children and  
32 provide input on how the District might help those children realize the benefits of the  
33 District's educational programs and activities.  
34

- 35 5. Solicit information from tribal officials and parents of Indian children on Indian views,  
36 including information on the frequency, location, and time of meetings;  
37  
38 6. Notify tribal officials and parents of Indian children of the locations and times of  
39 meetings;  
40  
41 7. Consult and involve tribal officials and parents of Indian children in the planning and  
42 development of the District's educational programs and activities;  
43  
44 8. Modify its Indian policies and procedures, if and when necessary, based upon the results  
45 of the assessments referenced below.  
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Assessments

Tribal officials and parents of Indian children are encouraged to assess the effectiveness of their input regarding the participation of Indian children in the District’s educational programs and activities and the development and implementation of the District’s Indian policies and procedures and share the results of such assessment with the District.

Legal Reference:	20 U.S.C.S. 7701, et seq.	The Impact Aid Program Statute (Title VIII of the Elementary and Secondary Education Act of 1965)
	34 CFR 222.94	What provisions must be included in a local educational agency’s Indian policies and procedures?

Policy History:  
Adopted on:  
Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7231P  
page 1 of 2

4  
5 Federal Impact Funds

6  
7 The Board adopts the following procedures as required by Title VIII (Impact Aid Program) of  
8 the Elementary and Secondary Education Act:

- 9
- 10 1. The Superintendent and/or his/her designee will meet at least two (2) times annually with  
11 tribal officials and parents of Indian children. The purpose of the meetings will be to  
12 give tribal officials and parents of Indian children an opportunity to comment on whether  
13 Indian children are participating on an equal basis with other children in the District in  
14 the educational programs and activities offered by the District. The dates and times of  
15 these meetings will be sent to tribal officials and parents of Indian children at the  
16 beginning of each school year. In addition to the meetings, tribal officials and parents of  
17 Indian children are encouraged to contact the Superintendent at any time to provide  
18 comments or concerns regarding Indian children's equal participation in the education  
19 programs of the District.  
20
  - 21 2. Each year the Board will review this procedure and the District's Impact Aid Policy  
22 (7231).  
23
  - 24 3. The Superintendent and/or his/her designee will review school data and the comments  
25 and/or concerns of tribal officials, parents of Indian children, the community, and staff  
26 members regarding the assessment and extent of Indian students' participation and  
27 progress in the educational programs and services of the District.  
28
  - 29 4. When assessment data indicate Indian students are not participating on an equal basis  
30 with non-Indian students or making adequate progress, tribal officials and parents of  
31 Indian children will be asked to make recommended changes.  
32
  - 33 5. The complete Title VIII application will be sent to tribal officials (and the Indian  
34 Education Center, if appropriate) and a summary prepared for all Indian parents in  
35 conjunction with the January Title VIII public hearing. Review of new or continuing  
36 programs is an ongoing process of the Board. Agendas will be regularly forwarded to  
37 Tribal officials. An annual summary will be provided at the January Title VIII public  
38 hearing. Additional information is available upon request. A Board meeting will be  
39 held, usually in January, for the discussion of the disseminated material as part of a  
40 regular Board agenda. Tribal officials and Indian parents and staff will be notified at  
41 least ten (10) days prior to the meeting. Notice will be posted in the school's District  
42 office and school offices and will be sent to the Tribal Council (and Education Center)  
43 for posting.  
44  
45  
46



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- 49
- 50 6. At the Board meeting described in 5, above, members of the Indian community will be
- 51 afforded the opportunity to comment and suggest alternatives to the regularly scheduled
- 52 times, locations, and frequency of pertinent meetings.
- 53
- 54 7. Tribal officials, Indian parents, the Title IX Indian Parent Committee, the IPP Committee,
- 55 and Indian Education Center staff will be notified as to the location and times of meetings
- 56 in the same manner as that provided for the January Board meeting. Notice will be
- 57 posted in the school’s District office, at school offices, and will also be sent to the Tribal
- 58 Council and the Tribal Education Center for posting.
- 59
- 60 8. The Title VIII application will be made available for review by the Title IX Parent
- 61 Committee and/or the IPP Committee and other interested members of the Indian
- 62 community, prior to the public meeting generally held in January.
- 63

A Board meeting to discuss equal participation of Indian students will generally be held in January.

The Title IX Parent Committee and/or the IPP Committee and interested Indian parents and tribal officials will review assessment data to develop or modify educational programs or services to allow participation of Indian students on an equal basis. These findings and recommendations will be presented to the Board in March or as required by federal guidelines.

Members of the Indian community, tribal officials, members of the Parent Committee and/or the IPP Committee, and staff will be notified of modifications to programs or services as provided in 5, above.

79	Legal Reference:	20 U.S.C.S. 7701, et seq.	The Impact Aid Program Statute (Title VIII
80			of the Elementary and Secondary Education
81			Act of 1965)
82		34 CFR 222.94	What provisions must be included in a local
83			educational agency’s Indian policies and
84			procedures?
85			

86 Procedure History:  
 87 Promulgated on:  
 88 Revised on:

1 **Charlo Public School District**

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3 **FINANCIAL MANAGEMENT**

7251

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5 Disposal of School District Property Without a Vote

6  
7 The Board is authorized to dispose of a site, building, or any other real or personal property of  
8 the District, that is or is about to become abandoned, obsolete, undesirable, or unsuitable for  
9 school purposes.

10  
11 To effect proper disposal, the trustees shall pass a resolution stating their decision concerning  
12 property disposal. The resolution will not become effective until fourteen (14) days after the  
13 resolution is published in a newspaper of general circulation in the District.

14  
15 Should any taxpayer properly protest the resolution during the fourteen (14) days after the date  
16 of publication, the trustees shall submit testimony to the court with jurisdiction.

17  
18 Once the resolution is effective, or if appealed the decision has been upheld by the court, the  
19 trustees shall sell or dispose of the real or personal property in a reasonable manner determined  
20 to be in the best interests of the District. Proceeds from the sale of fixed assets can be deposited  
21 to the general, debt service, building, or any other appropriate fund.  
22  
23

24  
25 Legal Reference: § 20-6-604, MCA Sale of property when resolution passed after  
26 hearing — appeal procedure  
27

28 Policy History:

29 Adopted on:

30 Revised on:

1 **Charlo Public School District**

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3 **FINANCIAL MANAGEMENT**

7260

4  
5 Endowments, Gifts, and Investments

6  
7 The Board may accept gifts, endowments, legacies, and devises subject to the lawful conditions  
8 imposed by the donor. Endowments received by the District will be deposited to an endowment  
9 fund as an expendable or non-expendable trust. Neither the Board nor the Superintendent will  
10 approve any gifts that are inappropriate. Unless conditions of an endowment instrument require  
11 immediate disbursement, the Board will invest money deposited in the endowment fund  
12 according to the provisions of the Uniform Management of Institutional Funds Act (Title 72,  
13 chapter 30, MCA).

14  
15 The Board authorizes the Superintendent to establish procedures for determining the suitability  
16 or appropriateness of all gifts received and accepted by the District.

17  
18 **Educational foundations which seek to promote, enhance, and enable educational**  
19 **opportunities and school improvement activities in the District may solicit and receive tax-**  
20 **deductible funds from donors. Educational foundations may be sanctioned by the Board**  
21 **but not managed or directed by it. The Board may appoint non-voting advisors to the**  
22 **foundation board if the bylaws of the foundation permit that action.**

23  
24 The Board directs that all school funds be invested in a prudent manner so as to achieve  
25 maximum economic benefit to the District. Funds not needed for current obligations may be  
26 invested in investment options as set out in Montana statutes, whenever it is deemed  
27 advantageous for the District to do so.

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30		
31	Legal Reference:	§ 20-6-601, MCA Power to accept gifts
32		§ 20-7-803, MCA Authority to accept gifts
33		§ 20-9-212, MCA Duties of county treasurer
34		§ 20-9-213(4), MCA Duties of trustees
35		§ 20-9-604, MCA Gifts, legacies, devises, and administration of
36		endowment fund

37  
38 Policy History:

39 Adopted on:

40 Revised on:

1 **Charlo Public School District**

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3 **FINANCIAL MANAGEMENT**

7310

4  
5 Budget Implementation and Execution

6  
7 Once adopted by the Board, the operating budget shall be administered by the Superintendent/  
8 designees. All actions of the Superintendent/designees in executing programs and/or activities  
9 delineated in that budget are authorized according to these provisions:

- 10  
11 1. Expenditure of funds for employment and assignment of staff shall meet legal  
12 requirements of the State of Montana and adopted Board policies.  
13  
14 2. Funds held for contingencies may not be expended without Board approval.  
15  
16 3. A listing of warrants describing goods and/or services for which payment has been made  
17 must be presented for Board ratification each month.  
18  
19 4. Purchases will be made according to the legal requirements of the State of Montana and  
20 adopted Board policy.  
21  
22  
23

24 Legal Reference: § 20-3-332, MCA Personal immunity and liability of trustees  
25 § 20-9-213, MCA Duties of trustees  
26

27 Policy History:

28 Adopted on:

29 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

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4  
5 Purchasing

6  
7 Authorization and Control

8  
9 The Superintendent is authorized to direct expenditures and purchases within limits of the  
10 detailed annual budget for the school year. The Board must approve purchase of capital outlay  
11 items, when the aggregate total of a requisition exceeds Five Thousand Dollars (\$5,000), except  
12 the Superintendent shall have the authority to make capital outlay purchases without advance  
13 approval when necessary to protect the interests of the District or the health and safety of staff or  
14 students. The Superintendent will establish requisition and purchase order procedures to control  
15 and maintain proper accounting of expenditure of funds. Staff who obligate the District without  
16 proper authorization may be held personally responsible for payment of such obligations.

17  
18 Bids and Contracts

19  
20 Whenever the cost of any supplies, equipment, or work shall exceed Twenty-Five Thousand  
21 Dollars (\$25,000), the District will call for formal bids by issuing public notice as specified in  
22 statute. Specifications will be prepared and made available to all vendors interested in  
23 submitting a bid. The contract shall be awarded to the lowest responsible bidder, except that the  
24 trustees may reject any or all bids. The Board, in making a determination as to which vendor is  
25 the lowest responsible bidder, will take into consideration not only the amount of each bid, but  
26 will also consider the skill, ability, and integrity of a vendor to do faithful, conscientious work  
27 and to promptly fulfill the contract according to its letter and spirit. Bidding requirements do not  
28 apply to a registered professional engineer, surveyor, real estate appraiser, or registered architect;  
29 a physician, dentist, pharmacist, or other medical, dental, or health care provider; an attorney; a  
30 consulting actuary; a private investigator licensed by any jurisdiction; a claims adjuster; or an  
31 accountant licensed under Title 37, Chapter 50.

32  
33 Advertisement for bid must be made once each week for two (2) consecutive weeks, and a  
34 second (2<sup>nd</sup>) publication must be made not less than five (5) nor more than twelve (12) days  
35 before consideration of bids.

36  
37 The Superintendent will establish bidding and contract-awarding procedures. Bid procedures  
38 will be waived only as specified in statute. Any contract required to be let for bid shall contain  
39 language to the following effect:

40  
41 *In making a determination as to which vendor is the lowest responsible bidder, if*  
42 *any, the District will take into consideration not only the pecuniary ability of a*  
43 *vendor to perform the contract, but will also consider the skill, ability, and*  
44 *integrity of a vendor to do faithful, conscientious work and promptly fulfill the*  
45 *contract according to its letter and spirit. References must be provided and will*  
46 *be contacted. The District further reserves the right to contact others with whom*

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*a vendor has conducted business, in addition to those listed as references, in determining whether a vendor is the lowest responsible bidder. Additional information and/or inquiries into a vendor’s skill, ability, and integrity are set forth in the bid specifications.*

Cooperative Purchasing

The District may enter into cooperative purchasing contracts with one or more districts for procurement of supplies or services. Such contracts must be awarded to the lowest responsible bidder, except that the trustees may reject all bids.

Legal Reference:	§§ 18-1-101, et seq., MCA	Public Contracts
	§§ 18-1-201, et seq., MCA	Bid Security
	§ 20-9-204, MCA	Conflicts of interest, letting contracts, and calling for bids
	<i>Debcon v. City of Glasgow</i> , 305 Mont. 391 (2001)	

Policy History:

Adopted on:  
Revised on:

1 **Charlo Public School District**

2  
3 **FISCAL MANAGEMENT**

7320P  
page 1 of 3

4  
5 Purchasing: Bids and Contracts

6  
7 The following procedures shall be in effect for purchasing through the bidding process:

- 8  
9 1. Formal bids shall be opened at the time and place stated in the official  
10 advertisement for bids, and any interested member of the public may attend the  
11 bid opening. It shall be the bidder's sole responsibility to see that their bid is  
12 delivered to the district prior to the time set for the opening. Any bid received  
13 after the time set for opening shall be returned to the bidder unopened and shall  
14 receive no consideration by the district.  
15  
16 2. Formal bid tabulations shall be presented at the next regular, or special, meeting  
17 of the board.  
18  
19 3. Formal bid awards shall be made by the board no later than the second meeting  
20 after the bid opening, except that the board can waive this requirement when time  
21 is of the essence.  
22  
23 4. Brand names and manufacturer's catalog numbers used in specifications are for  
24 the purpose of identification and to establish a standard of quality. Bids on equal  
25 items shall be considered providing the bidder specifies brand and model and  
26 furnishes descriptive literature. The acceptance of alternative "equal" items shall  
27 be conditioned on the district's inspection and testing after receipt. If not found to  
28 be equal, the material shall be returned at the seller's expense and the contract  
29 cancelled.  
30  
31 5. The district shall reserve the right to reject any and all bids and waive any  
32 formalities.  
33  
34 6. On construction projects, the bidder shall include a notarized statement agreeing  
35 to comply with prevailing wage and affirmative action requirements and shall  
36 provide a performance bond.  
37  
38 7. The Superintendent may solicit bids by telephone and/or written quotation for  
39 furniture, equipment and supplies which have an estimated cost of less than  
40 \$7,500.00. At least three telephone or written bids shall be secured prior to the  
41 date established by the Superintendent. All telephone quotations must be  
42 confirmed in writing within seven (7) working days in order to constitute a valid  
43 quotation.  
44  
45 8. For maintenance of improvement projects estimated to cost in excess of \$7,500.00  
46 the Superintendent shall advertise for bids in the manner described in 7321.

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The following steps shall be employed to engage a contractor for work projects:

- a. Written specifications shall be prepared which describe the work to be completed and the materials to be used; completion date; contractor's assurances (prevailing wages, fair employment, etc.); bid and performance bond requirements; opportunity to visit the work site; closing date; and bid form.
- b. Unless the board declares by resolution the existence of an emergency, all interested and qualified contractors shall receive written invitations to bid, including a description of the project and the process to follow in acquiring the project specifications.
- c. After the closing time, bids shall be opened, recorded and made available for inspection or telephone inquiry.
- d. The trustees shall award the contract to the lowest responsible bidder, provided that the resident bidder is not more than three percent higher than the lowest responsible bidder who is not a resident of Montana.

The following factors shall be considered in determining the lowest responsible bidder:

- a. The ability, capacity and skill of bidder to perform the work required;
  - b. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
  - c. The ability of the lowest resident bidder to perform the work in the time specified;
  - d. The quality of performance of previous contracts or services;
  - e. The previous and existing compliance of the bidder with laws relating to public works; and
  - f. Such other information related to the performance of the contract as the Superintendent deems advisable.
9. An acceptable bid or offer and a District purchase order shall constitute the only contract necessary for the purchase of supplies, equipment, and minor repairs of construction projects, except the successful bidder shall meet all conditions included in the specifications.
10. Formal written contracts shall be prepared for all major construction and repair projects. Each contract awarded by the school district shall specify that in all instances products manufactured or produced by Montana industry and labor shall be preferred for use in all projects and in all materials, supplies and equipment procured if such products, materials, equipment, and supplies are comparable in price and quality. Failure to comply shall disqualify such contractor for future contracts for a period of two years. Such contracts shall be signed by the Board



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Chairperson and clerk on behalf of the District after the contracts have been awarded by a majority vote of the Board with action recorded in the minutes of the Board meeting. All contracts shall provide that, in the event of a suit by the District to enforce the terms of the contract, venue for the suit shall be laid in the county in which the District is located and that, if the District is successful in the suit, the court may order reimbursement of the District's attorney's fees and court costs in such amount as the court deems reasonable.

Procedure History:

Promulgated on:

Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7326

4  
5 Documentation and Approval of Claims

6  
7 All financial obligations and disbursements must be documented in compliance with statutory  
8 provisions and audit guidelines. Documentation will specifically describe acquired goods and/or  
9 services, budget appropriations applicable to payment, and required approvals. All purchases,  
10 encumbrances and obligations, and disbursements must be approved by the administrator  
11 designated with authority, responsibility, and control over budget appropriations. The  
12 responsibility for approving these documents cannot be delegated.

13  
14 The District business office is responsible for developing procedures and forms to be used in the  
15 requisition, purchase, and payment of claims.

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19 Policy History:

20 Adopted on:

21 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7329

4  
5 Petty Cash Funds

6  
7 The use of petty cash funds shall be authorized for specific purchases only. Those purchases will  
8 include individual purchases of supplies and materials under the amount of Fifty Dollars (\$50),  
9 postage, delivery charges, and freight. Individual personal reimbursements which exceed Fifty  
10 Dollars (\$50) should not be made from petty cash funds. Petty cash accounts will be maintained  
11 as cash on hand, with the total dollar amount of each petty cash account limited to Two Hundred  
12 Dollars (\$200) for secondary schools and One Hundred Dollars (\$100) for elementary schools  
13 and school offices and departments.

14  
15 Each administrator of a school or department with a petty cash fund account may appoint and  
16 designate a fund custodian to carry out bookkeeping and security duties. Moneys not  
17 specifically designated as petty cash will not be co-mingled with the petty cash fund. At the  
18 conclusion of each school year, all petty cash funds must be closed out and the petty cash  
19 vouchers and cash on hand returned to the business office for processing.

20  
21 The District business office is responsible for establishing procedures for use and management of  
22 petty cash funds.

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26 Policy History:

27 Adopted on:

28 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

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4  
5 Payroll Procedures/Schedules

6  
7 The District will establish one (1) or more days in each month as fixed paydays for payment of  
8 wages in accord with the current collective bargaining agreement or District practice.  
9 Employees may choose to have their salaries paid in full upon the last pay date following  
10 completion of their assignments or may annualize their pay. Employees who choose to receive  
11 payment of wages beyond the period in which the wages were earned (deferred payment) will be  
12 subject to Internal Revenue Service (IRS) penalties unless they provide a written election of such  
13 deferral prior to (the first duty day) (July 1)<sup>1</sup> of the year of deferral. Forms for such deferral shall  
14 be made available. Any change to the election must be made prior to the first duty day of the  
15 fiscal year of the deferment.

16 When a District employee quits, is laid off, or is discharged, wages owed will be paid on the next  
17 regular pay day for the pay period in which the employee left employment or within fifteen (15)  
18 days, whichever occurs first.

19  
20  
21 Cross Reference: BP 5500 Payment of Wages upon Termination

22  
23 Legal Reference: Section 409A, Internal Revenue Code, Deferred Compensation

24  
25  
26 Policy History:

27 Adopted on: 03/18/2008

28 Reviewed on:

29 Revised on:

1—District must choose between the first duty day of the deferral year or July 1 of the deferral year.

1 **Charlo Public School District**

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3 **FINANCIAL MANAGEMENT**

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4  
5 **PAYROLL PROCEDURES / SCHEDULES**

6 **(Deferred Wage Payment Election Form)**

7 By my signature I hereby acknowledge that I have read and understand the School  
8 District's policy on deferred wages. Furthermore, by my signature on this form I am  
9 electing to defer payment of my wages on an annualized basis consisting of  
10 \_\_\_\_\_ payments. I understand that any change from an annualized  
11 election of payment requires that I notify the District prior to the beginning of duty  
12 for the fiscal year in which the change is being given.

13 \_\_\_\_\_  
14 Signature

\_\_\_\_\_  
Position

15 \_\_\_\_\_  
16 Printed name

\_\_\_\_\_  
Date signed

17  
18  
19 Policy History:

20 Adopted on: 03/18/2008

21 Reviewed on:

22 Revised on:

1 **Charlo Public School District**

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page 1 of 2

4  
5 Advertising in Schools/Revenue Enhancement

6  
7 Revenue enhancement through a variety of District-wide and District-approved marketing  
8 activities, including, but not limited to, advertising, corporate sponsorship, signage in or on  
9 District facilities, etc., is a Board-approved venture. The Board may approve such opportunities  
10 subject to certain restrictions in keeping with the contemporary standards of good taste.

11 Advertising will model and promote positive values for District students through proactive  
12 educational messages and not be simply traditional advertising of a product. Preferred  
13 advertising includes messages encouraging student achievement and establishment of high  
14 standards of personal conduct.

15  
16 All sponsorship contracts will allow the District to terminate the contract on at least an annual  
17 basis, if it is determined that it will have an adverse impact on implementation of curriculum or  
18 the educational experience of students.

19  
20 The revenue derived should:

- 21  
22 1. Enhance student achievement;  
23 2. Assist in maintenance of existing District athletic and activity programs; and  
24 3. Provide scholarships for students participating in athletic, academic, and activity  
25 programs, who demonstrate financial need and merit.

26  
27 Appropriate opportunities for marketing activities include but are not limited to:

- 28  
29 4. Fixed signage.  
30 1. Banners.  
31 2. District-level publications.  
32 3. Television and radio broadcasts.  
33 4. Athletic facilities, including stadiums, high school baseball fields, and high school  
34 gymnasiums.  
35 5. District-level projects.  
36 6. Expanded usage of facilities beyond traditional uses (i.e., concerts, rallies, etc.).  
37 7. The interior and exterior of a limited number of District buses, if the advertising is  
38 associated with student art selected by the District. The only advertising  
39 information allowed will note sponsorship of the student art by the participant.  
40 Maintenance for these buses will include but not exceed normal maintenance  
41 costs.  
42 8. Individual school publications (when not in conflict with current contracts).

43  
44 Advertising will not be allowed in classrooms, other than corporate-sponsored curriculum  
45 materials approved subject to Board policy.

46

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The following restrictions will be in place when seeking revenue enhancement. Revenue enhancement activities will not:

1. Promote hostility, disorder, or violence
2. Attack ethnic, racial, or religious groups
3. Discriminate, demean, harass, or ridicule any person or group of persons on the basis of gender
4. Be libelous
5. Inhibit the functioning of the school and/or District
6. Promote, favor, or oppose the candidacy of any candidate for election, adoption of any bond/budget issues, or any public question submitted at any general, county, municipal, or school election
7. Be obscene or pornographic, as defined by prevailing community standards throughout the District
8. Promote the use of drugs, alcohol, tobacco, firearms, or certain products that create community concerns
9. Promote any religious or political organization
10. Use any District or school logo without prior approval

Cross Reference:     2120   Curriculum Development and Assessment  
                          2309   Library Materials  
                          2311   Instructional Materials

Policy History:  
Adopted on:  
Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

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4  
5 Personal Reimbursements

6  
7 While it is recommended that all purchases of goods or services be made within established  
8 purchasing procedures, there may be an occasional need for an employee to make a purchase for  
9 the benefit of the District from personal funds. In that event, an employee will be reimbursed for  
10 a personal purchase under the following criteria:

- 11
- 12 1. It is clearly demonstrated that the purchase is of benefit to the District;
  - 13
  - 14 2. The purchase was made with the prior approval of an authorized administrator;
  - 15
  - 16 3. The item purchased was not available from District resources; and
  - 17
  - 18 4. The claim for personal reimbursement is properly accounted for and documented with an  
19 invoice or receipt.

20  
21 The District business office is responsible for developing procedures and forms to be used in  
22 processing claims for personal reimbursements.

23  
24  
25  
26 Policy History:

27 Adopted on:

28 Revised on:



1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7336

4  
5 Travel Allowances and Expenses

6  
7 The District will reimburse employees and trustees for travel expenses while traveling outside  
8 the District and engaged in official District business. District employees who are not exempted  
9 by another policy will be reimbursed according to the current State levels pursuant to Montana  
10 law. All travel expenses must be reported on the established travel expense and voucher forms  
11 and approved by the employee’s supervisor and the Superintendent.

12  
13 The District business office is responsible for development of procedures and forms to be used in  
14 connection with travel expense claims and reimbursements.

15	16	17	
18	Legal Reference:	§ 2-18-501, MCA	Meals, lodging, and transportation of persons in state service
19			
20		§ 2-18-502, MCA	Computation of meal allowance
21		§ 2-18-503, MCA	Mileage – allowance
22			

23 Policy History:

24 Adopted on:

25 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7410

4  
5 Fund Accounting System

6  
7 The accounts of the District are organized on the basis of funds, each of which is considered to  
8 be a separate accounting entity. The operations of each fund are accounted for by providing a  
9 separate set of self-balancing accounts. The accounts of the District are maintained on the  
10 modified accrual basis of accounting. The following funds are maintained by the District:

11	12 <u>Elementary</u>	13 <u>High School</u>
14	101 General	201 General
15	110 Transportation	210 Transportation
16	111 Bus Reserve	211 Bus Reserve
17	112 Hot Lunch	
18	113 Tuition	213 Tuition
19	114 Retirement	214 Retirement
20	115 Federal Funds	215 Federal Funds
21	117 Adult Ed	217 Adult Ed
22		218 Drivers Ed
23	121 Sick Leave	221 Sick Leave
24	126 Impact Aid	226 Impact Aid
25	128 Technology	228 Technology
26	129 Flex	229 Flex
27	150 Debit Service	250 Debit Service
28	160 Building	260 Building
29	186 Claims	287 Claims
30		297 Activities

31 Legal Reference: § 20-9-201, MCA Definitions and application

32  
33 Policy History:

34 Adopted on:

35 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

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4  
5 Extra- and Co-Curricular Funds

6  
7 The Board is responsible for establishment and management of student extra- and co-curricular  
8 funds. The purpose of student extra- and co-curricular funds is to account for revenues and  
9 disbursements of those funds raised by students through recognized student body organizations  
10 and activities. The funds shall be deposited and expended by check, in a bank account  
11 maintained by the District for student extra- and co-curricular funds. The use of the student  
12 extra- and co-curricular funds is limited to the benefit of the students. Students will be involved  
13 in the decision-making process related to use of the funds.  
14

15 The Board shall follow the *Student Activity Funding Accounting* (published by the Montana  
16 Association of School Business Officials (MASBO)) in establishing accounting procedures for  
17 administration of student extra- and co-curricular funds and will appoint a fund administrator.  
18

19 Specific procedures are available in the clerk's office.  
20  
21  
22

23	Legal Reference:	§ 2-7-503, MCA	Financial reports and audits of local government
24			entities
25		§ 20-9-504, MCA	Extracurricular fund for pupil functions
26			

27 Policy History:

28 Adopted on:

29 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

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4  
5 Financial Reporting and Audits

6  
7 The Board directs that financial reports of all District funds be prepared in compliance with  
8 statutory provisions and generally accepted accounting and financial reporting standards. In  
9 addition to reports required for local, state, and federal agencies, financial reports will be  
10 prepared monthly and annually and presented to the Board. Financial reports shall reflect  
11 financial activity and status of District funds.

12  
13 Appropriate interim financial statements and reports of financial position, operating results, and  
14 other pertinent information will be prepared to facilitate management and control of financial  
15 operations.

16  
17 The Board directs that District audits be conducted in accordance with Montana law. Each audit  
18 shall be a comprehensive audit of the affairs of the District and District funds. The audits shall  
19 comply with all statutory provisions and generally accepted governmental auditing standards.  
20 Each audit may be made every two (2) years and cover the immediately preceding two (2) fiscal  
21 years, or it may be conducted annually.

22  
23  
24  
25 Legal Reference:        §§ 2-7-501, et seq., MCA        Audits of Political Subdivisions  
26                                § 20-9-212, MCA                        Duties of county treasurer  
27                                § 20-9-213, MCA                        Duties of trustees

28  
29 Policy History:

30 Adopted on:

31 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7500

4  
5 Property Records

6  
7 Property and inventory records will be maintained for all land, buildings, and physical property  
8 under District control and will be updated annually.

9  
10 For purposes of this policy, “equipment” means a unit of furniture or furnishings, an instrument,  
11 a machine, an apparatus or a set of articles which retains its shape and appearance with use, is  
12 nonexpendable, and does not lose its identity when incorporated into a more complex unit. The  
13 Superintendent will ensure inventories of equipment are systematically and accurately recorded  
14 and updated annually. Property records of facilities and other fixed assets will be maintained on  
15 an ongoing basis. No equipment will be removed for personal or non-school use except in  
16 accordance with Board policy.

17  
18 Property records will show, appropriate to the item recorded, the:

- 19  
20 1. Description and identification  
21 2. Manufacturer  
22 3. Date of purchase  
23 4. Initial cost  
24 5. Location  
25 6. Serial number, if available  
26 7. Model number, if available

27  
28 Equipment may be identified with a permanent tag providing appropriate District and equipment  
29 identification.

30  
31  
32  
33 Cross Reference: 7510 Capitalization Policy for Fixed Assets

34  
35 Legal Reference: § 20-6-602, MCA Trustees’ power over property  
36 § 20-6-608, MCA Authority and duty of trustees to insure district  
37 property

38  
39 Policy History:

40 Adopted on:

41 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7510

4  
5 Capitalization Policy for Fixed Assets

6  
7 A fixed asset is a property that meets all the following requirements:

- 8  
9 1. Must be tangible in nature;  
10  
11 2. Must have a useful life of longer than the current fiscal year; and  
12  
13 3. Must be of significant value.  
14

15 Fixed assets may be acquired through donation, purchase, or may be self-constructed. The asset  
16 value for a donation will be the fair market value at the time of donation. The asset value for  
17 purchases will be the initial cost plus the trade-in value of any old asset given up, plus all costs  
18 related to placing the asset into operation. The cost of self-constructed assets will include both  
19 the cost of materials used and the cost of labor involved in construction of the asset.  
20

21 The following significant values will be used for different classes of assets:

<u>Class of Fixed Asset</u>	<u>Significant Value</u>
Equipment and machinery	\$5000.00 or more
Buildings - Improvements	\$5000.00 or more
Improvements other than to buildings	\$5000.00 or more
Land	Any amount

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35 Cross Reference: 7500 Property Records

36  
37 Policy History:

38 Adopted on:

39 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7520

4  
5 Independent Investment Accounts

6  
7 The Board may establish independent investment accounts separate and apart from those funds  
8 maintained by the county treasurer. The Board may transfer cash into an independent investment  
9 account from any budgeted or non-budgeted funds. A separate account shall be established for  
10 each fund from which transfers are made. The principal and any interest earned must be  
11 reallocated to the fund from which the deposit was originally made.

12  
13 The District may either:

- 14  
15 1. Establish and use the account as a non-spending account, returning sufficient funds to the  
16 county treasurer in time to pay all claims against the applicable fund; or  
17  
18 2. Establish a subsidiary checking account and make expenditures from the investment account,  
19 provided all transactions are accounted for and reported, as required by applicable accounting  
20 principles. If the District desires to establish a subsidiary checking account for purposes of  
21 paying for expenditures directly from an investment account, the District must enter into a  
22 written agreement with the county treasurer, in accordance with § 20-9-235, MCA.

23  
24  
25  
26 Legal Reference: § 20-9-235, MCA Authorization for school district investment account

27  
28 Policy History:

29 Adopted on:

30 Revised on:

1 **Charlo Public School District**

2  
3 **FINANCIAL MANAGEMENT**

7530

4  
5 Procurement of Supplies or Services

6  
7 The Board adopts the following provisions of the Montana Procurement Act (i.e., § 18-4-101, et  
8 seq., MCA):

9  
10 (List specific provisions, i.e.:

- 11
- 12 1. § 18-4-303, MCA – Competitive sealed bidding. With the exception of construction
- 13 responsible bidder in order to bring the bid within the amount of available funds, if, and
- 14 only if, all bids exceed available funds and the lowest responsible bid does not exceed
- 15 available funds by more than five percent (5%).
- 16
- 17
- 18 2. § 18-4-306, MCA – Sole source procurement. Allows the District to purchase supplies or
- 19 services without having to comply with required bidding procedures, when and only
- 20 when it is determined that there is only one (1) source for the required supply or service
- 21 item.)
- 22
- 23
- 24

25 Legal Reference:	§ 18-4-101, et seq., MCA	Montana Procurement Act
26	2.5.604, ARM	Sole Source Procurement

27  
28 Policy History:

29 Adopted on:

30 Revised on: