

**CODE****POLICY TITLE****H**

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## **FISCAL MANAGEMENT GOALS AND OBJECTIVES**

The achievement of the district's purposes can best be reached through sound fiscal management. The Board recognizes that quality education is central to the purpose of the district and that fiscal management must be used as a tool to achieve this purpose.

In the district's fiscal management, the Board seeks to meet the following goals:

1. To Engage in thorough advanced planning, with board-based staff and community involvement, to develop budgets and to guide expenditures in order to receive the greatest educational returns for the dollar expended;
2. To establish levels of funding which will provide high quality education for the district's students;
3. To utilize the best available techniques for budget development and management;
4. To require maximum efficiency in accounting and reporting procedures.

As agent for community, state and federal funds allocated for use in local education, the Board has the responsibility to protect the funds and use them wisely.

See: NDCSC 15-29-07

## **RENTAL AND LEASE OF SCHOOL PROPERTY**

The primary purpose of school buildings is to provide an appropriate place for the education of children. However, the Board desires to cooperate with other agencies in the district and community organizations by making school facilities and certain items of equipment or services available when doing so will not be in conflict with the educational program. The Superintendent shall establish, and submit to the Board for approval, a schedule of rental and service charges to offset district costs. The use of buildings or equipment by others shall be without cost to the district.

When the enrollment pattern shows a decline, it is incumbent upon the Board to consider possible alternative uses for school facilities that are not immediately needed to maintain a quality educational program, but should wisely be saved for future use. The purpose to be achieved is to offset to the extent feasible and practical the cost of maintaining surplus space, thereby avoiding or reducing additional costs to the schools and the taxpayer.

Surplus space may be leased for sole use or for joint occupancy, that is space within a building being used by the district which is allocated exclusively for use by other groups, individuals, or organizations. The Superintendent shall establish procedures to be used in such leasing in accordance with the following guidelines.

### Criteria for Determining Space Available

The following criteria will be applied in the determination of space available for leasing and joint occupancy:

1. The space is projected to be surplus for at least one year.
2. The space is located in a portion or a section of the building which can be isolated and will not interfere with the ongoing educational program. A separate building entrance is desirable.
3. The space is not required for the conduct of a quality educational program. The Superintendent will develop specific standards as a basis for this determination.

### Priorities for Leasing Space

Given the constraints of the school setting, certain types of lessees will be more desirable than others. The following is a priority listing to aid in the selection of users of available space. This order will be applied to meet the needs best of the children and the educational program and to ensure prudent utilization of resources; the school program and/or personnel needs will always come first.

1. Other educational programs which will benefit children enrolled in the regular public school programs and which may enhance their learning experiences (e.g., day care centers,

preschool programs, data-processing schools, foreign language programs, or college-based programs).

2. Community programs which will enhance learning experiences for children or provide needed community services (e.g., senior citizen center, counseling centers).
3. Housing or other city or county agency functions (e.g., park and recreation department, health services).
4. Private enterprise
  - a. Private offices (e.g., real estate, attorney, consultant).
  - b. Private medical practice/community services (e.g., physician, physical therapist, artist).
  - c. Other private groups or organizations.

In those instances where two or more candidates for the same space within the same priority category are equally desirable the space will be provided to the candidate making the most beneficial offer to the schools.

The lease cost will be negotiated and be reflective of public schools costs, comparable market prices. The income from the leasing of space will be deposited in the general fund of the district. The period of the lease will be related to the best estimate of how long the space may not be needed for public school programs, but shall not be for longer than one year, subject to renewal.

The lease for each user will include appropriate language to save the Board and the school system harmless against any and all claims, demands, suits or other forms of liability that may arise out of this use of school space. Each proposed tenant must comply with all appropriate legal and zoning requirements.

The lease may be made on sealed bid from qualified lessees. The Board at its discretion may require a bond from the lessee, conditioned upon the payment of charges made for such lease and indemnifying the district against damage or destruction of the building or any part of it.

No lease shall bind the Board for a period in excess of one year.

Legal Ref: NDCC 15.1-09-33, School board - Powers  
NDCC 48-08-06, Lease of public buildings - Authorized  
NDCC 48-08-07, Lease of public buildings – Terms

End of Policy HCD.....Amended: 10/21/03

## **FEDERAL AID TO SCHOOL DISTRICTS**

In order to provide the best educational opportunities possible for children of the district, it shall be the objective of the Board to seek as many sources of revenue as possible to supplement the funds provided by local taxation and the basic aid offered by the state.

Therefore, the district shall participate in federal aid programs which provide direct educational and auxiliary services or opportunities to students enrolled in the district schools.

## **GIFTS AND BEQUESTS**

The Board may accept on behalf of and for the school district any bequest or gift of money or property for a purpose deemed by the Board to be suitable, and to utilize such money or property so designated. The Board reserves the right to refuse any gift that in the opinion of the Board is not in the best interests of the district or unnecessarily restricts the actions or decisions of the Board. Unless otherwise provided, no part of such property nor the income from the property shall be diverted or used for any other purpose.

All gifts shall be given to the school district as a whole and not to a particular school. At the discretion of the Superintendent, the gift may be used in a particular school. To be acceptable, a gift must satisfy the following criteria:

1. Has a purpose consistent with those of the school.
2. Is offered by a donor acceptable to the Board.
3. Will not add to staff load.
4. Will not begin a program which the Board would be unwilling to take over when gift or grant funds are exhausted.
5. Will not bring undesirable or hidden costs to the school district.
6. Will place no restrictions on the school program.
7. Will not be inappropriate or harmful to the best education of students.
8. Will not imply endorsement of any business or product.
9. Will not be in conflict with any provision of the school code or public law.
10. Shall become school district property.

The Superintendent shall set up criteria to be met in the acceptance of gifts, and the procedure for examining and evaluating offers of gifts to the district.

The Board encourages the Superintendent to explore private sources of financial aid for special projects or programs which will enhance the educational offerings of the district and for which no public funds are available. All such projects or programs are to meet the following criteria:

1. They will be based on a specific set of internal objectives that relate to the established goals and objectives of the district.
2. They will provide measures for evaluating whether or not project objectives are being or have been achieved.

3. The execution of all projects is to conform to state and federal laws and to the policies of the Board.

All grant proposals and private source funding are to be approved by the Board before being submitted to the funding agency. The Superintendent shall establish administrative guidelines for the processing of proposal ideas to the Board for its approval.

Funds will not be solicited from corporations or other business enterprises with which the school system does business.

Any gifts presented to the school district must be accompanied by a letter from the donor for official action and recognition by the Board.

No bequests, endowments, or other gifts will be accepted by the Board if the conditions of gift remove any portion of the public schools from control of the Board.

A letter of appreciation signed by the president of the Board and by the Superintendent shall be sent to each donor.

Legal Ref: NDCC 1-08-04, Authorizing state and counties, cities, and other municipality to accept devises, bequests, legacies, and gifts

End of Policy HCE.....Amended: 10/21/09

## **STUDENT FEES, FINES AND CHARGES**

The Board is authorized by statute to require payment of the following fees:

1. A security deposit for the return of textbooks, materials, supplies or equipment. A use charge may be made when the textbook returned has had an undue amount of wear.
2. Admission fees or charges for extra-curricular or non-curricular activities where attendance is optional.
3. Fees or premiums for any authorized student health and accident benefit plan.
4. Fees for personal physical education or apparel if it meets reasonable health and safety standards established by the Board.
5. Fees in any program where the resultant product becomes the personal property of the student.
6. Fees for behind-the-wheel driver's education instruction.
7. Other fees and charges permitted by statute.

Legal Ref: NDCSC 15-43-11.2



Descriptor Code: HDA

## **GENERAL FUND INVESTMENT**

Whenever feasible, the Board may direct the district clerk to invest school funds to the advantage of the district.

Legal Ref: NDCSC 15-44-09; 21-06-07

## **BUILDING FUND INVESTMENT**

Whenever possible, the Board will invest building funds at the highest available rate. Investment of such funds will be made only after careful consideration has been given as to the amount of cash flow needed by the architects working the building project.

Legal Ref: NDCSC 15-44-09; 21-06-07

Descriptor Code: HDAD

## **STUDENTS ACTIVITIES FUNDS MANAGEMENT**

All funds raised by classes, clubs and other organizations shall be turned in to the school office for deposit. The superintendent shall act as the treasurer of such funds and shall be responsible for receipt and handling of such funds.

Procedures for receipts and expenditures shall be consistent with the requirements state statute

Legal Ref: NDCSC 15-29-13

## **BONDED EMPLOYEES**

Each employee of the district who is assigned the responsibility of receiving and dispensing school funds shall be bonded individually or covered by a blanket bond. The cost of the bond shall be paid by the district.

In addition, the superintendent shall furnish to the school district a bond conditioned that he will honestly and faithfully discharge the duties of his office and that he shall safely keep and render a true account of all funds and property that shall come into his hands. The bond shall be written through the state bonding fund and shall be at the expense of the school district.

Legal Ref: NDCSC 15-29-08(12); 15-38-01

## **EXPENDITURE OF FUNDS**

The School District Clerk shall pay out money only upon the presentation of a warrant signed by the President of the Board and only if there is money in his hands or subject to his order sufficient for the payment. The form of the warrant is prescribed by the superintendent of public instruction. The clerk shall countersign any warrant. The superintendent shall keep the lunch program accounts and pay out money as needed. The clerk shall countersign all checks.

The Superintendent shall submit to the Board a monthly report of receipts, expenditures and balances in each account.

All demands for payment from general operational and building funds shall be processed by the School Clerk. The Clerk shall assume responsibility for assuring that budget allocations are observed and that total expenditures do not exceed the amount allocated in the budget for all items.

Legal Ref: NDCSC 15-29-09; 15-29-13; 15-44-09

## **PAYMENT PROCEDURE**

All bills and expenditures for any budgeted single item, except capitol equipment and salaries, shall be authorized for payment by the superintendent or a designee of the Board.

All budgeted salaries and wages of employees of the district shall be paid by direction of the superintendent and without action by the Board. The payment of all non-budgeted salaries and wages shall require prior approval of the Board.

The superintendent shall issue written regulations covering the payment of bills.

## **EXPENSE REIMBURSEMENTS**

Board members, personnel and district officials may be reimbursed for all necessary meals, lodging, and travel expenses actually incurred while engaged in official business of the Board. The rate shall be the same as for all state officials and employees, as established by law. Any mileage claimed shall not exceed the number of miles between the points traveled as measured by the most usual route. If a board member or employee prefers to use a personal car to attend a conference, he/she will receive no more than the regular airline coach fare for the trip, and no more than the lodging and meal allowances necessary for the conference had air transportation been used.

To the extent budgeted for such purposes in the school budget, the approval of travel requests by employees shall be vested in the Superintendent.

A traveler on official school business is expected to exercise the same care in incurring expenses that a prudent person would exercise in traveling on personal business. Excess cost shall not be accepted.

Cross Ref: Policy BCBB, Compensation and Expenses of Board Members

Legal Ref: NDCC 15.1-09-06, School board members - Compensation

NDCC 44-08-03, Travel expenses - What allowed

NDCC 44-08-04, Expense account - Amount allowed - Verification

NDCC 54-06-09, Mileage and travel expense of state offices and employers

End of Policy HEB.....Adopted: 10/20/09

## **PROFESSIONAL PERSONNEL EXPENSES**

Professional employees who are authorized to travel in performance of some special duty shall be reimbursed at the state rate per mile and other expenses when appropriate, but not to exceed the state rate for meals and lodging, as approved by the Superintendent. Authorization for such travel reimbursement must be obtained in writing from the Superintendent prior to incurring such expenses.

Legal Ref: NDCSC 15-29-08; 44-08-04



## **LEASE AND RENTAL PAYMENTS**

The Board may pay the rental of any hall or auditorium when it shall be used for public purposes and no charge is made for admission. The Board may defray the cost of such rental through taxation.

Legal Ref: NDCSC 48-08-01

Descriptor Code: HEE

## **PAYDAY SCHEDULE**

All certified personnel under contract shall be paid twice a month on the fifteenth and the last day of the month. When such a day fall on a Saturday or Sunday, or school calendar holiday, checks shall be issued on the preceding school day.

Staff members employed for the fiscal year shall receive their second June checks on the last working day in June providing all normal end-of-year requirements have been met.

Ancillary personnel shall be paid once monthly, or as determined by the School Board, based on time sheets turned in on the last Friday of each month. Checks shall be issued as soon as possible after that date.

## **SALARY DEDUCTIONS**

With the exception of payroll deductions required by the state or federal government, all deductions made from salary shall be subject to Board approval and shall be voluntary on the part of the individual employee. The employee shall complete a form authorizing the deductions and the specific amount for all voluntary deductions.

Legal Ref: NDCSC 15-38.1-11.1

## **PURCHASING**

The Board has the responsibility to assure that all purchases are made in the best interests of the district.

The Board declares its intention to purchase competitively without prejudice and to seek maximum education value for every dollar expended.

The Board will not honor local sales invoices (city of Glen Ullin) signed by an individual unless it is accompanied by a "local authorization slip" showing items to be purchased and signed by the superintendent, principal, teacher, janitor or cook. The Board will not honor any sales invoices unless accompanied by purchase orders signed and/or authorized by the superintendent.

It shall be the policy of the District to purchase locally provided goods, of equal quality and at competitive prices, are available from local suppliers.

The district purchasing agent should not feel bound to purchase any item locally that can be secured at a saving to the district from outside sources.

The Superintendent shall employ purchasing procedures which comply with all applicable laws and regulations of the State.

Legal Ref: NDCSC 15-47-15

Descriptor Code: HFA

## **BIDS AND QUOTATIONS**

All contracts shall be bid according to State Statute.

Legal Ref: 15-47-15; 44-08-01; 44-08-01.1

## **ACCOUNTING AND REPORTING**

The School District Clerk shall be responsible for receiving and properly accounting for all funds of the district.

The Accounting System used shall conform with requirements of the State Department of Education and with good accounting practices, providing for the appropriate separation of accounts, funds and special moneys.

The Board shall receive at least monthly a financial statement from the Clerk, showing the financial condition of the district. Such other financial statements as may be determined necessary by either the Board of the Administration shall be presented as found desirable.

Legal Ref: NDCSC 15-29-09; 15-44-09

## **SYSTEM OF ACCOUNTS**

The Business Manager of the district shall be ultimately responsible for receiving and properly accounting for all funds of the district. The Business Manager shall be responsible for maintaining the books and records of the district in auditable form. The Business Manager shall prepare or cause to be prepared all fiscal reports, keep necessary records to control adequately the financial transactions of the district, and prepare financial statements.

A monthly statement of budget appropriations, expenditures, encumbrances and balances of each account classification, as well as a statement of actual receipts and estimated receipts, shall be prepared for the information of the administrators and the School Board. The status of the records shall be current and available at all times to the School Board and administrators for planning and evaluating the operation of the school system. The Business Manager shall file all fiscal reports with the county, state or federal agencies, as required, and an annual audit shall be made by a certified public accountant.

The finances of the school district shall be set up under the General Fund, the Activities Fund, the Building Fund, and such other special funds as deemed necessary by the School Board and legally permitted or required.

The General Fund supports the operation and maintenance of the schools and finances the educational services and the equipment needs of the school system. Its receipts shall be analyzed and recorded according to source, such as federal state, and local, and its disbursements shall be classified according to specific purposes. Major account classifications shall be set up in accordance with the system instituted and approved by the State Department of Public Instruction.

Federal funds shall be a part of the General Fund. Separate revenue and expenditure accounts shall be kept for each federal program in accordance with federal requirements. The Food Service Fund is derived from sale of lunches and milk and reimbursements from federal funds. The funds shall be kept in a separate bank account and an accounting record be kept of all receipts and expenditures in accordance with the classification of accounts necessary to furnish information as required by the School Board and the State Agency for National School Lunch Program.

The Bond Proceeds Fund is money derived from the sale of bonds as approved by the electorate to erect, enlarge, improve, and equip school buildings and acquire sites. A separate accounting of all expenditures shall be kept in the same manner as all other funds.

The School Board has, by resolution, established an Activities Fund for the support of all extracurricular activities. Accounts within the fund shall be allocated to the various activities. All funds raised by classes, clubs, and other organizations, or collected by school district employees and by student treasurers, shall be turned in to the school office, receipted and accounted for, and directed without delay to the proper location of deposit. All such monies shall be handled with good and prudent business procedures, both to demonstrate the ability of school system employees to operate in that fashion and to teach such procedures to our students. The principal of each school shall act as the agent for the accounts of that school. The Business Manager shall make payments from the fund only upon authorization of the appropriate principal and in accordance with NDCC 15.1-07-10. The Superintendent shall submit to the School Board a monthly report of the receipts, expenditures and balances in each account of the fund.

Legal Ref: NDCC 15.1-07-10, Activities fund  
NDCC 15.1-07-11, Incidental revolving fund  
NDCC 15.1-07-12, Negotiable instruments - Payment by business manager  
NDCC 15.1-07-21, School district business manager - Duties  
NDCC 21-03-38, Bond proceeds - Kept in separate fund - Protection of purchaser  
NDCC 21-03-38.1, Disposal of bond proceeds  
NDCC 21-03-40, Sinking funds - Custodian  
NDCC 21-03-41, Sinking funds - Duty of county treasurer  
NDCC 21-03-42, Sinking fund - Sources and uses  
NDCC 21-03-43, Investment of sinking funds  
NDCC 21-03-44, Sinking fund - Use for unauthorized purpose  
NDCC 21-03-45, Sinking fund - Surplus placed in general fund  
NDCC Ch. 57-15, Tax Levies and Limitations  
NDCC Ch. 57-16, Excess Levies in School Districts  
NDCC Ch. 57-19, School District Special Reserve Fund  
(Building Fund Referendum or Resolution date)  
Activities Fund resolution date 12-19-95

End of Policy HHA.....Adopted: 10/20/09



## **INCIDENTAL REVOLVING ACCOUNTS**

In order to facilitate refunds and minor purchases, the Business Manager shall establish a special incidental revolving account. All monies so provided shall be kept in a checking account in which both the Business Manager and Superintendent's signatures are authorized and needed to sign checks. Expenditures against this special revolving account must be carefully itemized and is part of the school's audit. Money expended from the special revolving account shall be replenished from the activities fund to the general fund as necessary when the special revolving fund has been used for activity fund purposes.

Legal Ref: NDCC 15.1-07-11, Incidental revolving fund

End of Policy HHAA.....Amended: 11/15/04

## **SELECTING PROVIDER OF PROFESSIONAL SERVICES**

The School Board shall select a person or firm to provide professional services to the district when it deems necessary. Professional services shall include legal, auditing, architectural, engineering and consultant services.

Selection criteria shall include but not be limited to:

- a. Training and experience.
- b. Previous work experience with the Glen Ullin Public Schools.
- c. Previous work experience with other governmental agencies including other school districts.

Specific selection criteria shall be developed by the administration when the Board desires to secure professional services. The Board shall approve the criteria upon which selection will be based and the date by which proposals must be submitted.

Selection shall not be limited to local firms, but all local firms able to supply the professional services required shall be notified and given an opportunity to express their interest in providing services.

The president of the Board may appoint a committee to review the proposals of interest submitted with the administration. The administration and any designated board members shall review the proposals of interest received and, based upon the selection criteria noted above, shall recommend the most qualified firms for consideration by the Board. These candidates may be asked to make a formal presentation before the Board to facilitate final selection.

The selected service provider may be chosen for one specific project, as in the case of an architect, or may serve for a designated period of time or at the pleasure of the Board.

The Board may choose to omit this procedure and engage a service provider on the recommendation of the Superintendent if the service is of a minor nature or if an emergency need exists.

Legal Ref: NDCC 15.1-09-34 Contracts by school boards - Bids – Penalty

End of Policy HFAA.....Amended: 10/21/09

## **SYSTEM OF ACCOUNTS**

The Business Manager of the district shall be ultimately responsible for receiving and properly accounting for all funds of the district. The Business Manager shall be responsible for maintaining the books and records of the district in auditable form. The Business Manager shall prepare or cause to be prepared all fiscal reports, keep necessary records to control adequately the financial transactions of the district, and prepare financial statements.

A monthly statement of budget appropriations, expenditures, encumbrances and balances of each account classification, as well as a statement of actual receipts and estimated receipts, shall be prepared for the information of the administrators and the School Board. The status of the records shall be current and available at all times to the School Board and administrators for planning and evaluating the operation of the school system. The Business Manager shall file all fiscal reports with the county, state or federal agencies, as required, and an annual audit shall be made by a certified public accountant.

The finances of the school district shall be set up under the General Fund, the Activities Fund, the Building Fund, and such other special funds as deemed necessary by the School Board and legally permitted or required.

The General Fund supports the operation and maintenance of the schools and finances the educational services and the equipment needs of the school system. Its receipts shall be analyzed and recorded according to source, such as federal state, and local, and its disbursements shall be classified according to specific purposes. Major account classifications shall be set up in accordance with the system instituted and approved by the State Department of Public Instruction.

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The Food Service Fund is derived from sale of lunches and milk and reimbursements from federal funds. The funds shall be kept in a separate bank account and an accounting record be kept of all receipts and expenditures in accordance with the classification of accounts necessary to furnish information as required by the School Board and the State Agency for National School Lunch Program.

The Bond Proceeds Fund is money derived from the sale of bonds as approved by the electorate to erect, enlarge, improve, and equip school buildings and acquire sites. A separate accounting of all expenditures shall be kept in the same manner as all other funds.

The School Board has, by resolution, established an Activities Fund for the support of all extracurricular activities. Accounts within the fund shall be allocated to the various activities. All funds raised by classes, clubs, and other organizations, or collected by school district employees and by student treasurers, shall be turned in to the school office, receipted and accounted for, and directed without delay to the proper location of deposit. All such monies shall be handled with good and prudent business procedures, both to demonstrate the ability of school system employees to operate in that fashion and to teach such procedures to our students. The principal of each school shall act as the agent for the accounts of that school. The Business Manager shall make payments from the fund only upon authorization of the appropriate principal and in accordance with NDCC 15.1-07-10. The Superintendent shall submit to the School Board a monthly report of the receipts, expenditures and balances in each account of the fund.

- Legal Ref: NDCC 15.1-07-10, Activities fund
- NDCC 15.1-07-11, Incidental revolving fund
- NDCC 15.1-07-12, Negotiable instruments - Payment by business manager
- NDCC 15.1-07-21, School district business manager - Duties
  - NDCC 21-03-38, Bond proceeds - Kept in separate fund - Protection of purchaser
- NDCC 21-03-38.1, Disposal of bond proceeds
- NDCC 21-03-40, Sinking funds - Custodian
- NDCC 21-03-41, Sinking funds - Duty of county treasurer
- NDCC 21-03-42, Sinking fund - Sources and uses
- NDCC 21-03-43, Investment of sinking funds
- NDCC 21-03-44, Sinking fund - Use for unauthorized purpose
- NDCC 21-03-45, Sinking fund - Surplus placed in general fund
- NDCC Ch. 57-15, Tax Levies and Limitations
- NDCC Ch. 57-16, Excess Levies in School Districts
- NDCC Ch. 57-19, School District Special Reserve Fund  
(Building Fund Referendum or Resolution date)
- Activities Fund resolution date 12-19-95

End of Policy HHA.....Adopted: 10/20/09

