

POPLAR SCHOOL DISTRICT

FINANCIAL MANAGEMENT

7000 SERIES

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Fiscal and Business Management

The Superintendent is responsible for the District’s fiscal and business management. To that end, the Superintendent, in conjunction with the Clerk, shall prepare a budget that supports immediate and long-range goals and established priorities within all areas, i.e., instructional, non-instructional and administrative programs. The community shall have the opportunity to comment on this budget to the Board prior to final adoption by the Board.

Budget Year, Adoption, and Amendments

The District’s fiscal year is from July 1 until June 30. Prior to presentation of the proposed budget for adoption, the Superintendent and the Clerk shall prepare recommendations for the Board’s consideration, with supporting documentation when necessary. This budget shall represent the culmination of an ongoing process of planning for the fiscal support needed for the District’s educational programs. Upon adoption by the Board, the budget shall be forwarded to the County Superintendent as provided by law.

The Board may transfer money between funds as provided by law. In addition, the Board, by resolution, may determine that a budget amendment is necessary and shall proceed to amend the budget pursuant to law.

Budget Implementation

The Superintendent shall implement the District’s budget and provide the Board with a monthly financial report. The amount budgeted as the expenditure in each fund is the maximum amount that may be expended for that category, except when a transfer of funds is authorized by the Board. All purchasing shall be handled pursuant to Board policy and any administrative regulations.

Legal References:	§ 20-9-115, MCA	Notice of final budget meeting
	§ 20-9-131, MCA	Final budget meeting
	§ 20-9-133, MCA	Adoption and expenditure limitations of final budget
	§ 20-9-162, MCA	Authorization for budget amendment adoption
	§ 20-9-163, MCA	Resolution for budget amendment

Policy History

Adopted on:

Revised on: July 11, 2016

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Revenues and Investments

The Superintendent is responsible for making all claims for property tax revenue, state aid, special state funds for specific programs, federal funds, and categorical grants when such grants may assist in improving the educational program. The County Treasurer is the depository and custodian of all District funds except as provided by law and by agreement between the County Treasurer and the Board.

Investments

The Board shall either direct the County Superintendent to invest its funds or establish an independent investment account as provided by law. In addition, the Board may choose to participate in an investment pool as provided by law. All decisions regarding the investment of District funds shall be made by the Board, after receiving financial information from the Superintendent and the public has had an opportunity for input.

Gifts and Endowments

The Board may accept gifts, endowments, legacies and devises subject to the lawful conditions imposed by the donor. -Acceptance of gifts, endowments, legacies and devises to the District will be carefully considered in terms of their ongoing financial impact to the District.

Advertising as Revenue

The Board may choose to enhance its revenue through a variety of District approved marketing activities, including but not limited to advertising, corporate sponsorship, signage, etc. These opportunities are subject to certain restrictions as approved by the Board on a case by case basis. All sponsorship contracts will allow the District to terminate the contract at least on an annual basis if it is determined that it will have an adverse impact on implementation of curriculum or the educational experience of students.

Legal References:	§ 20-6-702, MCA § 20-9-235, MCA § 20-9-212, MCA § 20-9-604, MCA 10.10.306, ARM 10.10.611, ARM 10.10.625, ARM	Funding for K-12 school districts Authorization for school district investment account Duties of county treasurer Gifts, legacies, devises and administration of endowment fund Bank Accounts or Other Repositories Establishment of Investment Accounts Investment Pools
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Policy History

Adopted on:

Revised on: July 11, 2016

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Indian Policies and Procedures, Title VIII, and Impact Aid

The Fort Peck Assiniboine and Sioux Tribes or their designee, and parents of Indian children served in the District, shall be provided with the opportunity to comment on the participation of Indian children on an equal basis with other children educated by the Poplar Schools. Not later than December 1 of each year, the District will hold a public meeting for the express purpose of allowing the Fort Peck Assiniboine and Sioux Tribes and parents of Indian children the opportunity to: 1) receive and review data presented by the Poplar Schools on the number and percentage of Indian students participating in each program offered by the school district; and 2) comment on the participation of Indian children on an equal basis in the school programs with all other children educated by the Poplar Schools.

The District will, by October 1, assess each of its programs, classrooms, teams, clubs, etc., and record, at a minimum, the number of students participating and the percentage of Indian students participating. This report shall be disseminated to the Fort Peck Assiniboine and Sioux Tribes through the Tribal Health, Education and Welfare Committee and placed on the agenda of the next Board meeting for discussion by the Board.

On an annual basis, the District will conduct a needs assessment, in an effort to identify how its educational program may need to be modified to allow Indian children to participate on an equal basis. The results of this assessment will be presented to the Board and discussed at the next regularly scheduled Board meeting. The express purposes of the discussion shall be to: 1) discuss recommended modifications to school education programs to allow Indian students to participate on an equal basis, if it is determined that they are not; 2) continue the opportunity to provide meaningful input on any relevant issue; 3) discuss recommendations of School policies and procedures based on input.

The District will disseminate copies of the Impact Aid applications to tribal officials, and the applications will be reviewed at the annual public hearing. The review of new or continuing programs is an ongoing process of the Board, and agendas are posted in the District Office. Program plans and information related to the education programs of the District will also be reviewed at District meetings as changes are considered. Adequate time and opportunity will be provided for tribal officials and parents to present views and comments regarding the disseminated documents.

The Administrative Assistant for Indian Education monitors all educational programs on a daily basis and provides a report to the Indian Education Parent Committee on a monthly basis. In addition, a member of the Indian Education Parent Committee, designated by said Committee, is present at each Board meeting to provide input to the Board.

Tribal officials, parents of Indian students, or the Indian Education Committee may place items on the Board meeting agenda for discussion and/or action by the Board. Such meetings occur on the **Poplar School District**

second Monday of each month and convene at 7:00 p.m., in the Board Meeting Room. In August of each year, the Board convenes to discuss the final budget. Any community member may be present to provide comments and input on the final budget. All meetings are duly advertised in accordance with the “Open Meeting” statutes of the State of Montana.

Based upon the recommendations of the needs assessment, the Title IX external evaluation and other pertinent data in cooperation with the Indian Education Parent Committee, the Board may, at its discretion, adopt these changes and recommendations.

All changes to the policies must be posted for a period of not less than twenty (20) days, to provide for public input and comment.

All meetings called for any purpose addressed by these Policies and Procedures regarding P.L. 874 must meet the requirements of the “Open Meeting” statutes of the State of Montana.

Inasmuch as state law prohibits the Board from delegating legal responsibility, the Trustees retain final authority for the established policies, procedures, and school programs affected by this Act.

Policy History

Adopted on:

Revised on: July 11, 2016 07/11/2016

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Budget Implementation and Execution

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

- Expenditure of funds for the employment and assignment of staff shall meet the legal requirements of the State of Montana and adopted Board policies;
- Funds held for contingencies may not be expended without approval from the Board;
- A listing of warrants describing goods and/or services for which payment has been made must be presented for Board ratification each month; and
- Purchases shall be made according to the legal requirements of the State of Montana and adopted Board policy.

Legal Reference:

§ 20-9-213, MCA
§ 20-3-332, MCA

Duties of trustees
Personal immunity and liability of trustees

Policy History:

Adopted on:

Revised on: July 11, 2016

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Purchasing

Authorization and Control

The Superintendent is authorized to direct expenditures and purchases within limits of the detailed annual budget for the school year. The Board must approve purchase of capital outlay items, when the aggregate total of a requisition exceeds Eighty Thousand Dollars (\$80,000). However, the Superintendent shall have the authority to make capital outlay purchases without advance approval when necessary to protect the interests of the District or the health and safety of staff or students. The Superintendent will establish requisition and purchase order procedures to control and maintain proper accounting of expenditure of funds. Staff who obligate the District without proper authorization may be held personally responsible for payment of such obligations.

Bids and Contracts

Whenever any building, furnishing, repairing or other work for the benefit of the District or purchasing of supplies for the District is necessary, the work done or the purchase made must be by contract if the sum exceeds Eighty Thousand Dollars (\$80,000). The District will call for formal bids by issuing public notice as specified in statute. Specifications will be prepared and made available to all vendors interested in submitting a bid. The contract shall be awarded to the lowest responsible bidder, except that the Board may reject any or all bids. In making a determination as to which vendor is the lowest responsible bidder, the Board will take into consideration not only the amount of each bid, but will also consider the skill, ability and integrity of a vendor to do faithful, conscientious work and to promptly fulfill the contract according to its letter and spirit. Bidding requirements do not apply to a registered professional engineer, surveyor, real estate appraiser or registered architect; a physician, dentist, pharmacist or other medical, dental or health care provider; an attorney; a consulting actuary; a private investigator licensed by any jurisdiction; a claims adjuster; or an accountant licensed under Title 37, Chapter 50.

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

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

In making a determination as to which vendor is the lowest responsible bidder, if any, the District will take into consideration not only the pecuniary ability of a vendor to perform the contract, but will also consider the skill, ability, and integrity of a vendor to do faithful, conscientious work and promptly fulfill the contract according to its letter and spirit. References must be provided and will be contacted. The District further reserves the right to contact others with whom 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. A district participating in a cooperative purchasing group may purchase supplies and services through the group without complying with the provisions of 20-9-204(3), MCA if the cooperative purchasing group has a publicly available master list of items available with pricing included and provides an opportunity at least twice yearly for any vendor, including a Montana vendor, to compete, based on a lowest responsible bidder standard, for inclusion of the vendor's supplies and services on the cooperative purchasing group's master list.

Legal Reference:	§§ 18-1-101, et seq., MCA	Preferences and General Matters
	§§ 18-1-201, et seq., MCA	Bid Security
	§ 20-9-204, MCA	Conflicts of interests, letting contracts, and calling for bids
	§ 20-10-110, MCA	School Bus Purchases – contracts- bids
	<i>Debcon v. City of Glasgow</i> , 305 Mont. 391 (2001)	

Policy History:

Adopted on:

Revised on: July 11, 2016

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Accounting Standards

The Board intends that accounting practices follow state and federal laws and regulations and Generally Accepted Accounting Principles (GAAP). Therefore, the District shall follow a uniform financial accounting system required by state and federal agencies. Determination of liabilities and assets, prioritization of expenditures of governmental funds and provisions for accounting disclosures shall be made in accordance with governmental accounting standards.

Fund balance measures the net financial resources available to finance expenditures of future periods. The District's Unassigned General Fund Balance will be maintained to provide the District with sufficient working capital and a margin for safety to address emergencies without borrowing. The Unassigned General Fund Balance may only be appropriated by resolution of the Board of Trustees.

Fund Balance of the District may be committed for a specific source by formal action of the Board of Trustees. Amendments or modifications to the committed fund balance must also be approved by formal action of the Board of Trustees. Committed fund balance does not lapse at year-end. The formal action required to commit fund balance shall be by board resolution or majority vote.

The Board delegates authority to assign fund balance for a specific purpose to the Clerk of the District.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first, from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

The Board must annually review and approve this policy.

Legal References: Statement 54
 Governmental Accounting Standards Board (GASB)

Policy History:

Adopted on:

Revised on: July 11, 2016

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Payroll Procedures/Schedules

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

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

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

Policy History:

Adopted on:

Revised on: July 11, 2016

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Personal Reimbursements

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

- It is clearly demonstrated that the purchase is of benefit to the District;
- The purchase was made with the prior approval of an authorized administrator;
- The item purchased was not available from resources within the District; and
- The claim for personal reimbursement is properly accounted for and documented with an invoice/receipt.

The District business office will be responsible for the development of the procedures and forms to be used in processing claims for personal reimbursements.

Cross Reference: Administrative Procedure

Policy History:

Adopted on:

Revised on: July 11, 2016

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Travel Allowances and Expenses

Every District employee and trustee will be reimbursed for travel expenses while traveling outside of the District and engaged in official District business. District employees who are not exempted by another policy will be reimbursed according to the current levels established by the Board. All travel expenses must be reported on the established travel expense and voucher forms and approved by the employee's supervisor and the Superintendent or his/her designee.

The District business office will be responsible for the development of procedures and forms to be used in connection with travel expense claims and reimbursements.

Cross Reference: Administrative Procedures

Legal Reference:	§ 2-18-501, MCA	Meals, lodging and transportation of persons in state service
	§ 2-18-502, MCA	Computation of meal allowance
	§ 2-18-503, MCA	Mileage - allowance

Policy History:

Adopted on:

Revised on: July 11, 2016

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7425

Extra- and Co-Curricular Funds

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

The Board shall follow the *Student Activity Accounts Guidelines Manual*, published by the Montana Association of School Business Officials (MASBO), in establishing accounting procedures for administration of student extra- and co-curricular funds and will appoint a fund administrator.

Specific procedures are available in the Clerk’s office.

Cross Reference: Student Activity Accounts Guidelines, MASBO
Administrative Procedures

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

Policy History:

Adopted on:

Revised on: July 11, 2016

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7430

Financial Reporting and Audits

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

The Board directs that District audits be conducted in accordance with Montana law. Each audit shall be a comprehensive audit of the affairs of the District and District funds. The audits shall comply with all statutory provisions and generally accepted governmental auditing standards. Each audit may be made every year and cover the immediately preceding fiscal year.

Inventories

The Superintendent is responsible for developing and maintaining an inventory of District buildings and capital equipment. The inventory record of equipment shall include such items as a description of each item, the quantity, the location, the date of purchase and the cost or the estimated replacement cost.

Disposition of District Property

The Board is authorized to dispose of a site, building or any other real or personal property of the District, pursuant to the specific procedures outlined in Montana law.

Legal References:	§ 20-9-203, MCA	Examination of district accounting records
	§ 20-6-602, MCA	Trustees’ power of over property
	§ 20-6-603, MCA	Trustees' authority to acquire or dispose of sites and buildings -- when election required.
	§ 20-6-604, MCA	Sale of property when resolution passed after hearing -- appeal procedure.

Policy History:

Adopted on:

Revised on: July 11, 2016

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Capitalization Policy for Fixed Assets

A fixed asset is a property that meets all of the following requirements.

- Must be tangible in nature;
- Must have a useful life of longer than the current fiscal year; and
- Must be of significant value.

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

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	\$5,000.00 or more
Improvements - Buildings	\$5,000.00 or more
Improvements other than buildings	\$5,000.00 or more
Land	Any amount

Cross Reference: 7500 Property Records

Policy History:

Adopted on:

Revised on: July 11, 2016

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Procurement of Supplies or Services

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

1. 18-4-303, MCA. Competitive sealed bidding: With the exception of construction contracts, allows the District to negotiate an adjustment of the bid price with the lowest responsible bidder in order to bring the bid within the amount of available funds, if, and only if, all bids exceed available funds and the lowest responsible bid does not exceed available funds by more than five percent (5%).
2. 18-4-306, MCA. Sole source procurement: Allows the District to purchase supplies or services without having to comply with required bidding procedures, when and only when it is determined that there is only one (1) source for the required supply or service item.

Legal Reference:

§ 18-4-101, et seq., MCA
2.5.604, ARM

Montana Procurement Act
Sole Source Procurement

Policy History:

Adopted on:

Revised on: July 11, 2016