

FISCAL MANAGEMENT GOALS

The quantity and quality of learning programs are directly dependent on the effective, efficient management of allocated funds. It follows that achievement of the school system's purposes can best be achieved through excellent fiscal management.

As trustee of local, state, and federal funds allocated for use in public education, the Committee will fulfill its responsibility to see that these funds are used wisely for achievement of the purposes to which they are allocated.

Because of resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the school system take specific action to make sure education remains central and that fiscal matters are ancillary and contribute to the educational program. This concept will be incorporated into Committee operations and into all aspects of school system management and operation.

In the school system's fiscal management, it is the Committee's intent:

1. To engage in thorough advance planning, with staff and community involvement, in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To establish levels of funding that will provide high quality education for the students.
3. To use the best available techniques for budget development and management.
4. To provide timely and appropriate information to all staff with fiscal management responsibilities.
5. To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.

SOURCE: MASC

ANNUAL BUDGET

The annual budget is the financial expression of the educational program of the school department, and it mirrors the problems and difficulties that confront the school system.

The budget then is more than just a financial instrument and requires on the part of the Committee, the staff, and the community orderly and cooperative effort to ensure sound fiscal practices for achieving the educational goals and objectives of the school system.

Public school budgeting is regulated and controlled by legislation, state regulations, and local School Committee requirements. The operating budget for the school system will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The Superintendent will serve as budget officer but he/she may delegate portions of this responsibility to members of his/her staff, as he/she deems appropriate. The three general areas of responsibility for the Superintendent as budget officer will be budget preparation, budget presentation, and budget administration.

SOURCE: MASC

LEGAL REFS.: M.G.L. 71:34; 71:37 and 71:38N

NOTE: References to portions of a town or city charter may be appropriate here. The charter should be reviewed.

The annual budget for regional school districts is prepared in accordance with the requirements of M.G.L. 71:16B. A reference to that chapter and section should be added, and the content of a policy in this category should be checked against that citation.

BUDGET DEADLINES AND SCHEDULES

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and charter.

The final date for the submission of the budget to the City Council will be arranged cooperatively with the School Committee and finance committee.

In reaching its decision on the budget amount that it will submit to the City Council, the School Committee will also observe the statutory requirement of holding a public hearing on the proposed budget not less than seven days after the notice for this hearing has been published in a local newspaper.

Established by law and charter

SOURCE: MASC

LEGAL REFS.: M.G.L. 71:38N
City Charter (See local reference)

NOTE: A policy in this category might contain key dates established by law or charter. Otherwise an exhibit document listing critical dates might follow under code DBC-E.

Regional school districts should also refer to 71:16B for pertinent information. A citation to that section of law should also be added to the legal references.

BUDGET PLANNING

The major portion of income for the operation of the public schools is derived from local property taxes, and the School Committee will attempt to protect the valid interest of the taxpayers. However, the first priority in the development of an annual budget will be the educational welfare of the children in our schools.

Budget decisions reflect the attitude and philosophy of those charged with the responsibility for educational decision-making. Therefore, a sound budget development process must be established to ensure that the annual operating budget accurately reflects this school system's goals and objectives.

In the budget planning process for the school system, the School Committee will strive to:

1. Engage in thorough advance planning, with staff and community involvement, in order to develop budgets and guide expenditures in a manner that will achieve the greatest educational returns and contributions to the educational program in relation to dollars expended.
2. Establish levels of funding that will provide high quality education for all our students.
3. Use the best available techniques for budget development and management.

The Superintendent will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar.

SOURCE: MASC

NOTE: Include in this category statements on the general plan for budget development and on staff/student/public participation in the process (but not the official hearings). If advisory committees take part, this might be included in the policy, with details on their functioning presented as an accompanying regulation. Many school systems have special publications for staff on budget development offering procedures in detail. Such publications can be referred to (by adding a note at the end of this policy) as a source of additional information.

BUDGET HEARINGS AND REVIEWS

The School Committee of each city, town or regional school district shall hold a public hearing on its proposed annual budget not less than seven days after publication of a notice thereof in a newspaper having general circulation in such city, town or district. Prior to such public hearing said committee shall make available to the public at least one copy of said proposed budget for a time period of not less than forty-eight hours either at the office of the Superintendent of Schools or at a place so designated by said Committee. At the time and place so advertised or at any time or place to which such hearing may from time to time be adjourned, all interested persons shall be given an opportunity to be heard for or against the whole or any part of the proposed budget. Such hearing shall be conducted by a quorum of the School Committee. For the purposes of this section a quorum shall consist of a majority of the members of said School Committee.

LEGAL REF.: M.G.L 71:38n

SOURCE: Haverhill

NOTE: This is a direct quote from the law and does not need to be included in the policy manual.

BUDGET ADOPTION PROCEDURES

Authority for adoption of the final school budget lies with the City Council. The school budget is presented as part of the total city budget for action by the City Council.

Established by law and charter.

SOURCE: MASC

LEGAL REFS.: M.G.L. 71:34
Town Charter, (See local reference)

NOTE: Town and city charters should be checked for specific provisions relating to budget adoption procedures. Appropriate citations should be added as was done on the statement above.

Regional school districts should refer to and cite M.G.L. 71:16B at this category. A reference to a regional agreement may also be necessary at this code.

BUDGET TRANSFER AUTHORITY

In keeping with the need for periodic reconciliation of the school department's budget, the School Committee will consider requests for transfers of funds as they are recommended by the Superintendent.

The Committee wishes to be kept abreast of the need for these adjustments so that it may act promptly and expedite financial record keeping for the school system.

All funds in the general account not expended by the close of the fiscal year will be returned to the city.

SOURCE: MASC

NOTE: Certain provisions in a policy in this category maybe established by town or city charter. If so, appropriate citations should be added as legal references.

Regional school districts are affected by the provisions M.G.L. Chapter 71, Section 16B 1/2 that provides for an excess and deficiency fund that may not exceed five percent of their operating budget.

FUNDING PROPOSALS

The School Committee will encourage the administration to seek and secure all possible sources of state, federal, and other special funds that will enhance the educational opportunities for the children in our schools.

The Superintendent will keep informed of all possible funds available to the school system under the various state and federal programs and in what manner these funds can best be used in the school system.

The Superintendent will be responsible for seeking out and coordinating the development of proposals for all specially funded projects. All proposals for state, federal or private foundation projects that would obligate the Haverhill School Committee for future funding must receive prior approval.

The Superintendent is authorized to sign all reports for these projects and will be responsible for the proper expenditure of funds received for such projects.

LEGAL REFS.: M.G.L. 44:53A
 P.L. 874 Impact Aid
 Board of Education 603 CMR 32:00; 34:00

SOURCE: MASC/Haverhill

AUTHORIZED SIGNATURES

The Chairperson of the School Committee and the Superintendent will sign payrolls presented for approval.

The City Treasurer, who also serves as the school department treasurer, signs all checks drawn against school department funds. No other signature is valid.

SOURCE: MASC

LEGAL REF.: M.G.L. 41:41; 41:52

NOTE: Town and city charters often address this topic. References to appropriate sections of a charter should be added as necessary.

The content of policy in this area for a regional school district will be different than the above. Regional school districts should refer to and cite M.G.L. 71:16A at this code.

BONDED EMPLOYEES AND OFFICERS

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

LEGAL REF.: M.G.L. 40:5

SOURCE: MASC/Haverhill

FISCAL ACCOUNTING

The Superintendent will be ultimately responsible for receiving and properly accounting for all funds of the school system.

The accounting system used will conform with state requirements and with good accounting practices, providing for the appropriate separation of accounts, funds, and special monies.

The School Committee will receive periodic financial statements from the Superintendent showing the financial condition of the school department. Such other financial statements as may be determined necessary by either the Committee or the administration will be presented.

LEGAL REF.: Board of Education 603 CMR 10.00

SOURCE: MASC/Haverhill

AUDITS

An audit of the school department's accounts should be conducted annually. In addition, the Committee may request a private audit of the school system's accounts at its discretion.

The Committee will consider recommendations made by the auditor for maintaining an efficient system for recording and safeguarding the school department's assets.

SOURCE: MASC/Haverhill

PURCHASING

The School Committee declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended.

The acquisition of materials, equipment and services will be centralized in the Superintendent's office of the school system.

The Superintendent will serve as purchasing agent. He/she will develop and administer the purchasing program for the schools in keeping with legal requirements and with the adopted school budget.

School purchases will be made only on official purchase orders approved for issuance by the appropriate unit head and signed by the Superintendent, with such exceptions as may be made by the latter for emergency purchases.

SOURCE: MASC

LEGAL REFS.: M.G.L. 7:22A; 7:22B; 30B; 71:49A

NOTE: This category is useful for a general, overall policy on purchasing, which includes content that might otherwise be filed in a number of subcategories of this main topic. Specific regulations pertaining to purchasing are better filed under DJF, Purchasing Procedures.

PURCHASING AUTHORITY

Authority for the purchase of materials, equipment, supplies, and services is extended to the Superintendent through the detailed listing of such items compiled as part of the budget-making process.

The purchase of items and services on such lists requires no further Committee approval except when by law or Committee policy the purchases or services must be put to bid.

SOURCE: MASC

LEGAL REF.: M.G.L. 30B

CROSS REF.: DJE, Bidding Requirements

NOTE: The cross reference is to a closely related policy in this manual.

BIDDING REQUIREMENTS

All purchases of materials and equipment and all contracts for construction or maintenance in amounts exceeding \$35,000 will be based upon competitive bidding.

An effort will be made to procure multiple bids for all purchases in excess of \$35,000. When recommending acceptance of a bid, the Superintendent will inform the School Committee, whenever possible, of the competitive price of a reasonable substitute for the item specified.

When bidding procedures are used, bids will be advertised appropriately. Suppliers will be invited to have their names placed on mailing lists to receive invitations to bid. When specifications are prepared, they will be mailed to all merchants and firms who have indicated an interest in bidding.

All bids will be submitted in sealed envelopes, addressed to the Superintendent and plainly marked with the name of the bid and the time of the bid opening. Bids will be opened in public at the time specified, and all bidders will be invited to be present.

The Committee reserves the right to reject any or all bids and to accept the bid that appears to be in the best interest of the school system. The Committee reserves the right to waive any informality in, or reject, any or all bids or any part of any bid. Any bid may be withdrawn prior to the scheduled time for the opening of the bids. Any bid received after the time and date specified will not be considered. All bids will remain firm for a period of 30 days after opening.

The bidder to whom an award is made may be required to enter into a written contract with the school system.

SOURCE: MASC October 2014

LEGAL REF.: M.G.L. [7:22A](#); [7:22B](#); [30B](#)

CROSS REF.: [DJA](#), Purchasing Authority

NOTE: The cross reference is to a closely related policy in this manual.

NOTE: Town or city charters may contain related provisions. If so, appropriate citations should be added to the legal references.

In addition, all provisions of M.G.L. 30B shall be adhered to. Limits referenced in the law may be changed to create a more restrictive process but may not be changed to reduce the requirements.

VENDOR RELATIONS

Representatives of firms doing or hoping to do business with the school system will be acknowledged and interviews granted or not, depending on the circumstances. Personnel charged with the purchasing function will not be required to put their time at the indiscriminate use of sales personnel, who will limit their visits to staff members designated by school officials.

SOURCE: MASC

PAYMENT PROCEDURES

All claims for payment from school system funds will be processed in accordance with regulations developed by the Superintendent with approval of appropriate city departments.

Payment will be authorized against invoices properly supported by approved purchase orders, with properly submitted vouchers, or in accordance with salaries and salary schedules approved by the School Committee.

As an operating procedure, the Committee will receive monthly lists of bills for payment from system and grant funds. The lists will be certified as correct and approved for payment by the School Committee and then forwarded to the city auditor for processing and subsequent payment by the city treasurer.

The Superintendent, with the assistance of the Executive Director of Business, will be responsible for assuring that budget allocations are observed and that total expenditures do not exceed the amount allocated in the budget for all items.

The school building administrators will be responsible for observing budget allocations in their respective schools.

LEGAL REFS.: M.G.L 41:41, 41:52, 41:56

SOURCE: MASC/Haverhill

EXPENSE REIMBURSEMENTS

Personnel and school department officials who incur expenses in carrying out their authorized duties will be reimbursed by the school department upon submission of a properly completed and approved voucher and any supporting receipts required by the Superintendent.

When official travel by a personally owned vehicle is authorized, mileage payment will generally be made at the rate currently approved by the Committee. However, a monthly travel stipend, in an amount established by the Committee, will be paid to the Superintendent, Assistant Superintendent, School Business Manager, and others authorized by the Committee who are required to travel regularly within the school system on official business.

To the extent budgeted for such purposes in the school budget, approval of travel requests will be as follows:

1. Travel by School Committee members must have prior approval of the School Committee.
2. Any travel request with estimated expenditures of more than \$250 must be approved in advance by the Committee. The Superintendent may approve travel requests for less than \$250.
3. Each individual request will be judged on the basis of its benefit to the school system.

SOURCE: MASC

LEGAL REFS.: M.G.L. 40:5; 44:58

CASH IN SCHOOL BUILDINGS

Monies collected by school employees and by student treasurers shall be handled with good and prudent business procedures. All monies collected shall be receipted, accounted for, and directed without delay to the proper location of deposit.

In no case, shall monies be left overnight in schools, except in safes provided for safekeeping of valuables, and even then not to exceed more than a few dollars. All schools shall provide for making bank deposits after regular banking hours in order to avoid leaving money in school overnight.

Procedures regarding student activity accounts and other school accounts will be implemented in accordance with state guidelines.

Insurance. All school department employees are bonded through the City of Haverhill.

SOURCE: Haverhill