

**SECTION - D**  
**FISCAL MANAGEMENT**

**Table of Contents**

|   |           |
|---|-----------|
| <b>DA - FISCAL MANAGEMENT GOALS .....</b>                             | <b>1</b>  |
| <b>DB - ANNUAL BUDGET .....</b>                                       | <b>2</b>  |
| <b>DB-R - BUDGET APPOINTMENT ON EXPENSES .....</b>                    | <b>3</b>  |
| <b>DB - BUDGET DEADLINES AND SCHEDULES .....</b>                      | <b>4</b>  |
| <b>DBD - BUDGET PLANNING .....</b>                                    | <b>5</b>  |
| <b>DBG - BUDGET ADOPTION PROCEDURES .....</b>                         | <b>6</b>  |
| <b>DBI - BUDGET IMPLEMENTATION.....</b>                               | <b>7</b>  |
| <b>DBJ - REGIONAL SCHOOL DISTRICT BUDGET TRANSFER AUTHORITY .....</b> | <b>8</b>  |
| <b>DD - FUNDING PROPOSALS AND APPLICATIONS.....</b>                   | <b>9</b>  |
| <b>DGA - AUTHORIZED SIGNATURES.....</b>                               | <b>10</b> |
| <b>DGC - INTER-BANK TRANSFERS.....</b>                                | <b>11</b> |
| <b>DH - BONDED EMPLOYEES AND OFFICERS-DISTRICT .....</b>              | <b>12</b> |
| <b>DI - FISCAL ACCOUNTING AND REPORTING .....</b>                     | <b>13</b> |
| <b>DIE - AUDITS - DISTRICT.....</b>                                   | <b>14</b> |
| <b>DJ - PURCHASING .....</b>  | <b>15</b> |
| <b>DJA - PURCHASING AUTHORITY .....</b>                               | <b>16</b> |
| <b>DK - PAYMENT PROCEDURES - TOWNS.....</b>                           | <b>18</b> |
| <b>DKC - EXPENSE REIMBURSEMENTS .....</b>                             | <b>19</b> |
| <b>DKD - PAYMENT OF BILLS SIGNING OF WARRANT.....</b>                 | <b>20</b> |
| <b>DN - SCHOOL PROPERTY DISPOSITION.....</b>                          | <b>21</b> |

## **DA - 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.

## **DB - ANNUAL BUDGET**

The Regional School District Committee delegates the development of the District budget to the Regional Finance Sub-Committee which will, with the Superintendent, Business Manager, and the District Treasurer, develop annual budgets for the operating and maintenance of the District, and such capital budgets as shall be necessary for the pursuit of the goals of the District and the educational programs proposed and approved by the District Committee.

Said budget shall conform to the guidelines as set forth by the Legislature in Chapter 71 of the Massachusetts General Laws and directives and regulations as set forth by the Massachusetts Department of Education, and shall be in compliance with the foundation budget. It is acknowledged that the foundation budget reflects the minimum recommended spending for a District, and excludes transportation costs, debt service costs, and costs associated with the acquisition of fixed assets. The aforementioned items must, therefore, be budgeted in addition to the foundation budget, and funds to support those expenditures must be raised from the member communities, after the use of any offsetting revenues received from the state.

A budget is a spending plan, which is developed well in advance of the fiscal year. Circumstances may occur which necessitate changing spending priorities and redirecting funds within the budget accordingly Revisions to the budget may be made from time to time by the Committee, upon the recommendation of the Superintendent.

The annual budget for each school operated by the District shall be developed with input from the School Council, and shall reflect the priorities established in the Annual School Improvement Plan.

The District Agreement notwithstanding, there shall be no requirement for the annual operation and maintenance budget for the District to be adopted prior to the receipt of funding estimates from the state.

In developing a budget, care shall be taken to make the documents associated with the budget clear and understandable to Finance Committees of member communities and to the general public.

At the discretion of the Regional Finance Policy Subcommittee, an informal public information meeting may be held to solicit input from the general public. In accordance with the District Agreement, a public hearing shall be heard prior to the adoption of the Final Operating and Maintenance Budget by the District Committee. The Superintendent and members of the Regional Finance Sub-Committee will make every effort to fully inform all member communities and their officials of the budget plans of the District.

Assessments to member communities shall be made in compliance with the foundation budget, which may, in certain instances, differ from the apportionment under the District Agreement. When there is a conflict, state law shall prevail. In assessing for expenditures which are excluded from the foundation budget, the District Agreement shall determine the apportionment of assessments after the District Committee has applied all applicable state aid.

LEGAL REFS.:           M.G.L. 71:16B; 71:34; 71:37 and 71:38N

### **DB-R - BUDGET APPOINTMENT ON EXPENSES**

The Regional District School Committee shall annually determine the amounts necessary to be raised, after deducting the amount of aid such district is to receive pursuant to section sixteen, to maintain and operate the District school or schools during the next fiscal year, and amounts required for payment of debt and interest incurred by the District which will be due in the said year, and shall apportion the amount so determined among the several municipalities in accordance with the terms of the agreement.

The amounts so apportioned for each municipality shall be certified by the Regional School District treasurer to the treasurers of the several municipalities within thirty days from the date on which the annual budget is adopted by a two-thirds vote of the School Committee, but no later than April thirtieth.

The Regional School District treasurer shall include in the certification to each municipality a statement setting forth the amount which the District is to receive under said section sixteen D for the ensuing fiscal year and the proportionate share of such aid for such municipality.

In addition to amounts appropriated for long-term debt service, school lunches, adult education, student transportation, and tuition revenue, each municipality that belongs in the Regional School District shall annually appropriate for the support of the Regional School District, an amount equal to but, not Less than the sum of the minimum required local contribution.

Notwithstanding the provisions of the Regional School District agreement, each member municipality shall increase its contribution to the Regional District each year by the amount indicated in that district's share of the municipalities' minimum regional contribution in that fiscal year. The District shall appropriate the sum of the minimum regional contributions of its member districts as well as all state school aid received on behalf of member municipalities. The District may choose to spend additional amounts; such decision shall be made and such amounts charged to members according to the District's required agreement.

Except as required by General Law, each school district may determine how to allocate funds appropriated for the support of public schools without regard to the categories employed in calculating the foundation budget.

LEGAL REF.:           M.G.L. 71:16B

## DB - 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 calendar year for budget preparation will be determined by calculating backwards from the final adoption date: the annual town meeting. Dependent on the date thus set, the following will be scheduled:

Two weeks or more before the annual town meetings

Publication of the budget for the meeting, by the selectmen

Not less than 30 days before the annual town meetings

School Committee holds a public hearing on its proposed recommendations for the articles in the budget to be published as above.

Whatever dates assigned the above, the final date for the submission of the budget to the selectmen will be arranged cooperatively with the School Committee and each town's finance committee.

In reaching its decision on the budget amount that it will submit to the selectmen, 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.

In reaching its decision on the budget amount that it will submit to the selectmen, 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.

LEGAL REFS.:       M.G.L. 71:38N 71:16B  
                          Town Charter (See local reference)  
                          Regional Agreement

## **DBD - BUDGET PLANNING**

The major portion of income for the operation of the public schools is derived from local property taxes, and the Freetown-Lakeville 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 Freetown-Lakeville 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.

### **DBG - BUDGET ADOPTION PROCEDURES**

Authority for adoption of the final school budget lies with the citizens who comprise, and who are entitled to vote at, the town meeting. The total school budget is presented as part of the total town budget for action at the annual town meeting.

Established by law and charter

LEGAL REFS.: M.G.L. 71:34

**DBI - BUDGET IMPLEMENTATION**

All expenditures will be budgeted under the categories that most accurately describe the purposes for which the money will be spent. All expenditures will be approved by the School Committee.



**DBJ - REGIONAL SCHOOL DISTRICT BUDGET TRANSFER AUTHORITY**

In keeping with the need for periodic reconciliation of the school department's budget, the Regional School District 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.

The Superintendent and the Business Manager be allowed to transfer funds within the four-digit state budget code and any transfers outside that code be brought to the Committee for acceptance prior to the expenditure.

All funds in the general account not expended by the close of the fiscal year will be placed in an excess and deficiency fund not to exceed five percent of the operating budget. Any added funds shall be returned to the member municipalities as outlined in M.G.L. Chapter 71, Section 16B ½.

LEGAL REFS.: MGL 71:16B1/2

## **DD - FUNDING PROPOSALS AND APPLICATIONS**

The Freetown-Lakeville 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 and for submitting the proposals to the Committee for 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

**DGA - AUTHORIZED SIGNATURES**

The majority of each Freetown-Lakeville School Committee and the Director of Finance will sign payrolls presented for approval.

For the region, the regional school committee treasurer signs all checks drawn against regional school department funds. No other signature is valid.

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

**DGC - INTER-BANK TRANSFERS**

The Freetown-Lakeville Regional School Committee authorizes the Treasurer to transfer funds between bank accounts, in order to incorporate the funds into amounts needed to maximize investment for Certificates of Deposit, for investment of funds in general, and to position funds for support of warrant payments.

**DH - BONDED EMPLOYEES AND OFFICERS-DISTRICT**

Each employee of the school system 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 District.

LEGAL REFS.: M.G.L. 40:5; 71:16A

## **DI - FISCAL ACCOUNTING AND REPORTING**

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 Freetown-Lakeville Regional 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 as found desirable.

LEGAL REF.: Board of Education 603 CMR 10:00

### **DIE - AUDITS - DISTRICT**

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

Upon the completion of each audit, a report there on shall be made to the Chairperson of the School Committee, and a copy sent to the Chairperson of the Selectmen or City Council and the Chairperson of the School Committee in the member municipalities.

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

Freetown-Lakeville Regional School District will adhere to all policies and procedures to administer federal funds per District Grant Manual.

LEGAL REF.: M.G.L. 71:16E

## **DJ - PURCHASING**

The Freetown-Lakeville 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 or Designee 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 and those made with petty cash funds.

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



**DJA - PURCHASING AUTHORITY**

Authority for the purchase of materials, equipment, supplies, and services is extended to the Superintendent as part of the budget-making process.

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

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

CROSS REF.: DJE, Bidding Requirements

## DJE - BIDDING REQUIREMENTS

1. An effort will be made to procure multiple quotations for all purchases in excess of \$10,000.
2. All purchases of materials and equipment and all contracts for construction or maintenance in amounts exceeding \$25,000 will be based upon competitive bidding. When recommending acceptance of a bid, the Superintendent will inform the School Committee whenever possible, the competitive prices 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 informalities 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.

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

CROSS REF.: DJA, Purchasing Authority

### **DK - PAYMENT PROCEDURES - TOWNS**

All claims for payment from school department funds will be processed in accordance with regulations developed by the Superintendent. 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 bi-weekly vouchers listing bills for payment from the school department funds. The vouchers will be signed and approved for payment by the School Committee sub-committee initially and later presented to the School Committee for signature by the majority. Actual invoices and statements will be available for inspection by the School Committee.

The Superintendent 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.

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

### **PAYMENT PROCEDURES - DISTRICT**

All claims for payment from the School District's funds will be processed in accordance with regulations developed by the Superintendent. 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 bi-weekly voucher listing of bills for payment from the school department funds. The vouchers will be signed and approved for payment by the School Committee sub-committee initially and later presented to the School Committee for signature by the majority. Actual invoices and statements, will be available for inspection by the School Committee.

The Superintendent 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.

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

**DKC - 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 personally-owned vehicle is authorized, mileage payment will generally be made at the rate currently approved by the School Committee.

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

**DKD - PAYMENT OF BILLS SIGNING OF WARRANT**

An email will be sent to the Freetown-Lakeville Regional School District School Committee sub-committee members on Tuesday or Wednesday of the week in which the warrant vouchers must be signed advising them that the warrant is complete and ready for signing here at Central Office.

Per State audit office the method for payment of bills will be initially for the School Committee sub-committee to sign the warrant vouchers and not only the individual bills. Ultimately, the warrant vouchers will be signed by the School Committee majority.

**DN - SCHOOL PROPERTY DISPOSITION**

The Freetown-Lakeville Regional School Committee (FLRSC) / Superintendent or his/her designee shall be authorized to set procedures for disposal of obsolete books, equipment and supplies. All sales of obsolete equipment and supplies shall be reported to the FLRSC. The highest price possible will be sought. No private sales shall be authorized.