

SECTION D
FISCAL MANAGEMENT

DA	FISCAL MANAGEMENT GOALS
DB	ANNUAL BUDGET
DBC	BUDGET DEADLINES AND SCHEDULES ON HOLD
DBD	BUDGET PLANNING
DBG	BUDGET ADOPTION PROCEDURES ON HOLD
DBJ	BUDGET TRANSFER AUTHORITY
DD	FUNDING PROPOSALS AND APPLICATIONS
DGA	AUTHORIZED SIGNATURES
DH	BONDED EMPLOYEES AND OFFICERS
DI	FISCAL ACCOUNTING AND REPORTING
DIE	AUDITS
DJ	PURCHASING
DJA	PURCHASING AUTHORITY
DJB	FOOD PURCHASES
DJE	BIDDING REQUIREMENTS
DJG	VENDOR RELATIONS
DK	PAYMENT PROCEDURES
DKC	EXPENSE REIMBURSEMENTS

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.

ANNUAL BUDGET

The annual budget is the financial expression of the educational program of the school department, and it mirrors the problems , difficulties, and opportunities 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 and town 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.

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

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 held on the last Monday in April. Dependent on the date thus set, the following will be scheduled:

Two weeks or more before the annual town meeting –

Publication of the budget for the meeting, by the Selectmen

Not less than 30 days before the annual town meeting –

Finance 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 finance committee. The Selectmen have authority to impose a date as early as December 31.

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.

Established by law and charter

LEGAL REFS.: M.G.L. 71:38N
 Town Charter

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.

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 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
 Town Charter

BUDGET TRANSFER AUTHORITY

The annual budget is the financial plan of the Natick Public Schools and reflects the educational goals of the Committee. The Committee recognizes the need to modify the expenditure plan during the budget year and as budget officer the Superintendent is charged with the responsibility and may transfer (ingress or egress) funds up to \$10,000 between major account codes.* The Committee will be informed of such transfers. Transfers of funds over \$10,000 must be approved by the School Committee. Additions or deletions of personnel positions from the budget can only be made with Committee approval.

The School Committee will receive quarterly 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 Administration will be presented as found desirable.

*Major budget codes are defined as follows:

- 1000 Administration
- 2000 Instruction
- 3000 Other School Services
- 4000 Operation and Maintenance
- 7000 Acquisition, Improvement or Replacement of Fixed Assets
- 9000 Programs with other School Districts

FUNDING PROPOSALS AND APPLICATIONS

The School Committee will direct the administration to seek 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, if appropriate.

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

AUTHORIZED SIGNATURES

The Chairman of the School Committee or designee and the Superintendent or designee will sign payrolls presented for approval.

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

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

BONDED EMPLOYEES AND OFFICERS

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 town will pay the cost of the bond.

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

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 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

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.

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.

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

PURCHASING AUTHORITY

Authority for the purchase of materials, equipment, supplies, and services is extended to the Superintendent through the detailed listing of such items during 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.

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

CROSS REF.: DJE, Bidding Requirements

FOOD PURCHASES

The purchase of meals or light refreshments for meetings is subject to Natick Public School Policy for Food Purchases.

Exception

Procedures in this section apply to purchases made with all general fund monies. Use of non-general fund monies for meals and light refreshments is subject to prior approval of the Superintendent and/or the Assistant Superintendent of Schools for Finance.

Prior Approval

A Purchase Requisition is required to obtain prior approval to pay for meals or light refreshments. The responsible administrator must complete and submit the purchase requisition at least five working days before the event.

List of Attendees

The purchase requisition must include a list of participants, indicating each participant's relationship to the school district, e.g., employee, official, guest.

NOTE: When seeking approval for refreshments, this list may include the names of the participating organizations or groups when the number of participants is large or when the names of participants are unknown.

Conditions:

Light refreshments are allowable when a meeting is scheduled to last three hours or longer.

Meals are allowable if the meeting is scheduled to last six hours or longer or if the meeting is conducted during, normal meal times and precludes individuals from leaving to purchase an individual meal.

MEALS

The meal must be an essential part of the official school meeting or training session.

The purpose of the event must be to conduct official school business or to provide formal training to school employees.

Meals will be purchased and not to exceed the following maximum per person costs:

- ❖ Breakfast - up to \$5
- ❖ Lunch – up to \$10
- ❖ Dinner – up to \$15

Schools are encouraged to utilize the district's food service provider to provide meals/refreshments. Outside vendors may be used but must be an approved vendor with the town. Requests for personal reimbursement for food purchases from non-vendors must receive prior approval from the Assistant Superintendent of Schools for Finance.

Non-allowable:

The cost of meals may not be supported by school district monies when the purpose of the meeting is to conduct one of the following kinds of activities:

- Normal daily business of school employees
- Staff meetings
- Anniversaries of individual employment (EXCEPTION: Such events which are a part of an official employee recognition program approved by the Superintendent may be supported by school district monies.)
- Retirements
- Social events

REFRESHMENTS

Light refreshments include nonalcoholic beverages and edible items commonly served between meals, but not intended to substitute for meals, e.g., coffee, soft drinks, doughnuts, sweet rolls, fruit, cheese.

Light refreshments will be purchased and reimbursed up to \$5 per person.

School district monies may be used to support the costs of light refreshments, subject to the following conditions:

Purpose:

The purpose of the meeting must be to conduct official school business or to provide formal training to school employees. The light refreshments must be essential for the completeness (i.e., an integral part) of an official school meeting or training session.

Non-allowable:

The cost of light refreshments may not be supported by school district monies when the purpose of the meeting is to conduct one of the following kinds of activities:

- Normal daily business of school employees
- Staff meetings
- Anniversaries of individual employment (EXCEPTION: Such events, which are a part of an official employee recognition program approved by the Superintendent, may be supported by school monies.)
- Retirements
- Receptions for employees
- Social events

Adopted by the Natick School Committee: November 18, 2019

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 except for exempted items. 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.

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

CROSS REF.: DJA, Purchasing Authority

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.

PAYMENT PROCEDURES

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 monthly lists of bills for payment from school department funds. The lists will be certified as correct and approved for payment by the School Committee and then forwarded to the town comptroller for processing and subsequent payment by the town treasurer. Actual invoices, statements, and vouchers will be available for inspection by the School Committee. Approval of payment of bills shall carry the signature of any four School Committee members.

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.

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

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 Internal Revenue Service.

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