

## SECTION D: FISCAL MANAGEMENT

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## 1. FISCAL MANAGEMENT GOALS

The School Committee recognizes that money and money management support the foundation of the entire school program. To make that support as effective as possible, the Committee intends: (a) to encourage advance planning through the best possible budget procedures; (b) to explore all practical and legal sources of dollar income; (c) to guide the expenditure of funds so as to achieve the greatest educational returns; (d) to pursue maximum efficiency in accounting and reporting procedures, consistent with Massachusetts General Laws, city procedures, and school department internal control guidelines; and (e) to maintain a level of per pupil expenditure needed to provide a quality education.

As trustee of city, state and federal funds allocated for use in local education, the School Committee has the responsibility to protect the funds and use them wisely. Therefore, the School Department will participate in an annual audit of business practices, including expenditures and operating procedures and controls.

It is the stated philosophy of the School Committee that its priorities for fiscal management and program development should reflect the broadest possible input from members of the staff and that the budget setting process be orderly and efficient as possible.

Adopted: August 28, 2002

Revised: March 14, 2007

## 2. 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 for budget preparation will be determined by calculating backward from the date on which the Mayor is required, by law, to submit a proposed city budget to the City Council. Statute or charter establishes the following dates:

1. The School Committee shall schedule a vote on its final budget request not less than 21 days before the Mayor's budget is required to be submitted.
2. A public hearing on the proposed budget shall be held prior to the Committee vote. The School Committee shall not take a final vote on its proposed budget until all persons who desire to be heard concerning the budget proposal have had an opportunity to be heard. Notice of the hearing will be published at least seven (7) days prior to the hearing, and at least one copy of the proposed budget shall be made available to the public for a time period of not less than forty-eight (48) hours prior to the hearing.
3. At least seven days before the meeting at which the School Committee is scheduled to vote on its final budget request, the School Committee shall cause to be published in a local newspaper a general summary of its proposed budget. The summary shall specifically indicate any major variations from the current budget and the reasons for such changes. It shall further indicate the time and places at which complete copies of the proposed budget are available for examination by the public, and the date, time, and place when and where a public hearing shall be held by the School Committee on the proposed budget.

In order to permit a thorough review of the budget prior to fulfilling these requirements, the administration shall submit a proposed budget to the Standing Committee on Finance and Facilities at least sixty (60) days prior to the date on which the Committee is required to vote on its budget request. The Standing Committee on Finance and Facilities, which shall submit its recommendations to the School Committee in time to comply with the above dates, shall review this budget.

**M.G.L. Chapter 71, Section 38N**  
**Beverly City Charter Article 6, Section 2**

Adopted: March 24, 1997  
Revised: April 5, 2006

### 3. COMMUNICATION OF BUDGET RECOMMENDATIONS

It is the responsibility of the Beverly School Committee to sufficiently explain the objectives and needs of the schools to the public so that support for education can be provided to all children with equal and suitable educational programs.

The financial condition of the district, along with its needs and goals, will be interpreted to the citizens through an ongoing public information program.

The budget, as approved by the School Committee, shall be published and distributed to: (a) School Committee members; (b) Mayor; (c) City Clerk's office; (d) City Council members; (e) City Treasurer; (f) Public Library; and (g) Appropriate school administrators. In addition, the approved budget shall be available for review in the Superintendent's office and on the district website.

Adopted: August 28, 2002

Revised: March 14, 2007

#### 4. ADVANCE APPROVAL OF EXPENDITURES AND ENCUMBRANCES

It is the expectation of the Beverly School Committee that the administration will operate the School Department in accordance with the line-item annual budget approved by the School Committee. Therefore, it is the policy of the Beverly Public Schools that all purchase orders, personnel hires and other encumbrances of funds must be approved by the Business Manager, who shall ensure that adequate funds are available in the appropriate budget line and that relevant purchasing laws have been complied with.

If there are not sufficient funds available in the appropriate budget line, School Committee approval for transfer of funds from elsewhere in the budget must be obtained. This transfer of funds must be approved before the expenditure is completed, unless the amount of the transfer needed is less than ten (10%) percent of the total expenditure, or compelling circumstances make immediate approval of the expenditure necessary, in which case(s) the Business Manager may approve the expenditure after ensuring that adequate funds are available to be transferred from elsewhere in the budget to cover the shortfall. School Committee approval for the required transfer will be sought at the conclusion of each fiscal year.

For the purposes of this policy, a "budget line" is defined as any individual line on the budget format voted on by the School Committee and presented to the public.

#### **M.G.L. Chapter 37, Section 34 & 37**

Adopted: November 10, 1997  
Revised: April 5, 2006

## 5. FUNDING PROPOSALS, GRANTS AND REVENUES

### A. Funding Proposals

The School Committee encourages the Administration to prepare proposals for state and federal projects and grants that meet the strategic plan and goals of the school district. Moreover, the Administration shall, from time to time, but not less frequent than once per year, update the School Committee on the use of federal and state project or grants funds in the Beverly School Department.

### B. Grants from Private Sources

The School Committee encourages the Administration to pursue and accept gifts, grants and requests from private sources for the furtherance of the public schools provided there are no discriminatory restrictions as to sex, religion, race, creed, color, national origin, age or handicapping condition. The Administration may decline to accept gifts that it deems not to be in the best educational and/or financial interest of the school department. Moreover, the Administration shall, from time to time, but not less frequent than once per year, update the School Committee on the use of grants from private sources in the Beverly School Department.

### C. Revenues from State and Federal Tax Sources

All receipts of monies by the school department, both from the Commonwealth of Massachusetts or the federal government, shall be forthwith turned over to the City Treasury and reported to the School Committee. All expenditures and balances of these funds shall be shown in the school district's financial statement(s).

### D. Gate Receipts and Admissions

Appropriate procedures shall be developed and administered for admission receipts for school events. The Principal shall be responsible for the administration and supervision of all phases of school events for which an admission is charged, except athletic events, which are under the supervision of the Athletic Director.

The Superintendent of Schools shall be advised of prices to be charged for school events, including the criteria for free admissions or guest passes.

### E. Revolving Accounts

Revolving accounts may be established and maintained by the School Committee in accordance with Massachusetts General Laws.

### **M.G.L. Chapter 71, sections 47 & 71E**

Adopted: August 28, 2002

Revised: June 13, 2007

## 6. ACCOUNTING SYSTEM

The system of accounts shall provide for the appropriate separation of accounts, funds and special monies as prescribed by local, state and federal authorities. Furthermore, the system of accounts shall be used for all business transactions and budgeting documentation to establish uniformity of systems and procedures.

The Superintendent shall provide the School Committee with monthly MUNIS financial reports and other financial statements as needed to document and explain the financial status of the school department.

Adopted: February 12, 2003  
Revised: December 12, 2007

## 7. REVOLVING ACCOUNTS

Revolving accounts may be established by the School Committee upon the recommendation of the Superintendent in accordance with the Massachusetts General Laws.

All monies received by the School Committee for these types of accounts shall be deposited with the city treasurer and held in separate accounts. The School Committee may expend the monies for these accounts without further appropriation for the purpose(s) of the program(s) for which the receipts were derived.

### **M.G.L Chapter 71, sections 47 & 71E**

Adopted: April 16, 2003

Revised: February 13, 2008

## 8. PURCHASING

The School Committee will purchase competitively without prejudice and will seek the maximum educational value for all expenditures. All purchases for the Beverly Public Schools shall be made in accordance with City of Beverly by-laws and state purchasing procedures set forth under the General Laws of Massachusetts.

Purchase orders for such supplies and for such services as may be appropriate to put into effect the instructions and decisions of the School Committee may, within the limits of appropriations, be signed and issued in the name and on behalf of the Committee by the School Business Manager. In compliance with City policy purchase orders of \$5,000 or more require the Mayor's signature.

In emergency situations, the Superintendent or his designee, without waiting for a School Committee approval, may take whatever action is deemed to be necessary and in the best interests of the Beverly Public Schools, in accordance with the General Laws of Massachusetts.

**M.G.L. Chapter 7, Sections 22A; 22B; 30B; 41; 71 & 49A**

Adopted: April 16, 2003

Revised: February 13, 2008

## 9. SALES CALLS AND DEMONSTRATIONS

Teachers are not authorized to receive any agent or to examine any books, apparatus, or other articles presented by agents upon the school premises unless duly authorized by the Principal or the teacher's immediate superior. Teachers may not allow any visitors to intrude upon the regular duties of the school. No person, other than those connected officially with the schools, or those appointed by the Committee for the purpose, shall be allowed to give lectures, talks or instructions before the schools without the permission of the Superintendent.

Adopted: February 12, 2003

Revised: February 13, 2008

## 10. PAYMENT PROCEDURES

### A. Goods and Services

The School Committee must approve, by signature of a majority of its members, all warrants (bill schedules) for purchases of goods and services by the School Department. In cases where the Superintendent and/or Principal have the statutory authority to incur these expenses, they must also sign the bills to authorize payment.

### B. Payroll Procedures

All salaries and supplements paid regular staff members, substitute or part-time personnel and student workers shall be paid through the City Treasurer.

Proper payroll procedures are dependent on staff attendance, accounting and on signing in and signing out of part-time and hourly workers. The necessary procedures for this will be established by the Superintendent or designee and carried out by the administrative personnel.

Payroll payments must be sworn to and signed by the Superintendent and at least one member of the School Committee.

The School Committee shall vote to authorize one member of the School Committee to sign and swear to payroll payments at its reorganization meeting in January.

### **M.G.L. Chapter 41, Sections 41 & 56**

Adopted: February 12, 2003

Revised: June 18, 2008

## 11. EXPENSE AUTHORIZATION AND REIMBURSEMENT

Personnel employed in special assignments that require them to travel to more than one school in one day shall receive a travel allowance in accordance with established practices.

Principals shall be reimbursed for all expenses reasonably incurred in the performance of their duties in accordance with the law of Massachusetts and the policies of the School Committee after being approved by the Superintendent of Schools. Whenever required in advance by the Superintendent to travel out of the city, Principals shall be reimbursed at the rate per mile set by the City of Beverly for all employees. Principals will also be reimbursed for reasonable expenses (including meals, lodgings, and/or transportation and fees) incurred for professional improvement sessions, conferences or other professional improvement sessions that have been approved in advance by the Superintendent.

The district will pay for local and state conferences for each Principal and Director, within guidelines established by the Superintendent. Requests for reimbursement of conference and/or workshop expenses must be submitted to the Superintendent or his designee for approval in advance. In addition, the district will pay for national conferences for Principals and Directors, within guidelines established by the Superintendent.

With respect to membership dues, Principals and Directors are eligible to receive reimbursement for professional membership in professional associations within guidelines established by the Superintendent.

Adopted: February 12, 2003  
Revised: February 13, 2008

## 12. 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.

Adopted: February 12, 2003

Revised: February 13, 2008

### 13. RESTRICTED USE OF TAX IDENTIFICATION/EXEMPTION NUMBER

Only bank accounts and investment instruments (public funds) under the direct control of the Director of Finance and Operations may use the School Tax Identification/Exemption Number. No individual or group may make use of the number on any bank account, investment vehicle, or financial transaction. This number may only be used for purchases made by and for the school department. No individual may use or benefit from the use of said number nor can the Tax Exempt Status be assigned to or used by any outside entity (e.g., PTO's, booster organizations).

Adopted: August 24, 2005