

## **FISCAL MANAGEMENT GOALS**

As the trustee of local, state, and federal funds allocated for use in public education, the Committee will use these funds wisely in pursuit of the District's goals. The quantity and quality of the District's educational programs are dependent on the effective, efficient management of allocated funds. Achievement of the District's purposes can best be achieved through excellent fiscal management.

It is imperative that the educational program be held of paramount importance. Decisions made due to resource limitations must center on the educational goals of the District. This prioritization will be incorporated into all aspects of district management and Committee decision making.

Regarding the district's fiscal management, it is the Committee's intent:

1. To allocate public funding, centering on equity while achieving the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To engage in thorough advance planning, with staff and community involvement, in order to develop budgets
3. To advocate for levels of funding that will provide high quality education for all students.
4. To support the use of the best techniques for budget development and management.
5. To provide timely and appropriate information to the community.

*Revised: April 2022*

## **ANNUAL BUDGET**

The annual budget is the financial expression of the goals of the School Committee in meeting the needs of all students.

The budget then requires an orderly and cooperative effort by the Committee, the staff, and the community to achieve the goals of the District.

Public school budgeting is regulated and controlled by legislation, state regulations, and local School Committee policy. The operating budget for the school district will be prepared and managed in line with the above.

In developing a budget, care shall be taken to make all presentations and documents associated with the budget clear and accessible to the members of the School Committee, to municipal officials, and to the general public.

The budget 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 community, after use of any offsetting revenues received from the state.

The Superintendent will serve as budget officer but may delegate portions of this responsibility to members of their staff, as they deem appropriate. The three general areas of responsibility for the Superintendent as budget officer will be budget preparation, budget presentation, and budget administration.

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. Annual budgets 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.

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

*Revised: April 2022*

## **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. This will include at least one public budget presentation.

The calendar year for budget preparation will be determined by calculating backwards from the final adoption date.

Whatever dates are assigned, the final date for the submission of the budget to the Select Board will be arranged cooperatively with the School Committee and Finance committee. The Select Board has authority to impose a date as early as December 31.

In reaching its decision on the budget amount that it will submit to the Select Board, 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  
                          Town Charter (See local reference)

*Revised: April 2022*

## **BUDGET PLANNING**

A sound budget development process must be established to ensure that the annual operating budget accurately reflects the District's goals and objectives. The budget is a financial planning tool that grounds itself in careful analysis of student achievement, enrollment, mandated services, and community values to allocate resources towards the goals set by the Committee. The first priority in the development of an annual budget will be the educational welfare of the children in our schools. The Committee also holds in balance the valid interest of the taxpayers.

The budget document shall reflect all sources of revenue. It shall clearly explain how those funds will be used.

In the budget planning process for the school system, the Superintendent 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 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 which will be shared publicly with the community. Such calendar will take into consideration the requirement that School Councils are to be consulted in developing school budgets.

In addition to the annual operating budget, the School Committee will develop and maintain 3-to-5-year operating forecast and multi-year projections for capital planning purposes.

*Revised: April 2022*

## **BUDGET ADOPTION PROCEDURES**

The district budget is adopted by the School Committee at the cost center level. Cost centers should represent appropriate levels of transparency for the Committee to oversee goal implementation while allowing for administrative day-to-day work. Cost centers will be agreed upon by the Committee and administration. The Committee and administration have agreed that the cost centers are the Department of Education Function Categories as follows:

1. Administration
2. Instructional Leadership
3. Teachers
4. Other Teaching Services
5. Professional Development
6. Instructional Materials/Equipment/Technology
7. Guidance, Counseling, Testing
8. Pupil Services
9. Operations and Maintenance
10. Fixed Charges
11. Out-of-District Expenditures

All revenue sources are subject to adoption by the School Committee. The budget is adopted by a simple majority.

Authority for adoption of the final school budget bottom line 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, (See local reference)

*Revised: April 2022*

## **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 between the cost centers 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 district.

All requests for transfers between cost centers as approved during the annual budget deliberation must be submitted to the School Committee for approval as part of the Director of Business and Finance's quarterly report at the business meetings of the School Committee.

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

LEGAL REF: DOR 94-660

Cross reference: DBG; DI

*Revised: April 2022*

## **GRANTS, FUNDING PROPOSALS, AND SPECIAL PROJECTS**

In accordance with state law, all grants and gifts to the District shall be reviewed and accepted by the School Committee prior to expenditure. The School Committee will encourage the administration to seek and secure possible sources of state, federal, and other special funds that will enhance the educational opportunities for the children in in alignment with district goals. The Superintendent will submit for School Committee approval spending plans at the same cost center level as the district budget.

The Superintendent will be responsible for coordinating the development of proposals for all specially funded projects and for keeping the Committee apprised and updated on all such projects.

LEGAL REFS.: M.G.L. 44:53A

*Revised: April 2022*

## **AUTHORIZED SIGNATURES**

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

The municipal 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. 41:41; 41:52

*Revised: April 2022*



## **BONDED EMPLOYEES AND OFFICERS**

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

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

*Revised: April 2022*

## **FISCAL ACCOUNTING AND REPORTING**

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

The accounting system used will conform with Uniform Massachusetts Accounting System as well as 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.: 603 CMR 10:00

Cross references: DBJ; DIE

*Revised: April 2022*

## **AUDITS**

As a department of the Town of Sudbury, an audit of the school department's accounts shall be conducted annually by external auditors. This review shall be conducted in accordance with the generally accepted accounting principles and the Government Auditing Standards issued by the U.S. Comptroller General.

Upon completion of the external audit, the Superintendent will share the resulting documentation with the Committee. The Committee will consider the recommendations made by the auditor for maintaining an efficient system for recording and safeguarding the school department's assets.

Additionally, the district is also subject to the following:

- End of Year Financial Compliance Report: Every Massachusetts school district must submit the results of this report to the Department. This End of Year report must be submitted to the Department on or before September 30 each year.
- Government Accounting Standards Board 34: The District is covered in these government financial statements of revenue and expenditures of the municipality.
- Federal grant audits: As a district that spends about thresholds required, the district is subject to the Single Audit Act.
- Student Activity Account: As required by state law, student activity accounts are audited annually.

In addition, the Committee may request an additional audit of the school district's accounts at its discretion.

LEGAL REF: M.G.L. 44:38-40; 71:47; 72:3

Cross reference: DI

*Revised: April 2022*

## **PURCHASING**

It shall be the responsibility of the Superintendent to:

- Procure materials, supplies, equipment, and services at the lowest possible cost consistent with the quality necessary for the proper operation of the District, thereby attaining the maximum value for each public dollar spent;
- Maintain the District's reputation for fairness and integrity and to promote impartial and equal treatment to all who wish to conduct business with the District;
- Encourage a mutually cooperative relationship with requesting departments, recognizing that successful purchasing is a result of team planning and effort;
- Promote social and economic goals such as encouraging local, small, minority, and women-owned businesses to participate in bidding for District purchases.

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

The Superintendent will designate the District's purchasing agent. They will develop and administer the purchasing program for the schools in keeping with legal requirements and within 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 purchasing agent, with such exceptions as may be made by the latter for emergency purchases.

LEGAL REFS.: 30B; 71:49A

*Revised: April 2022*

## **PURCHASING AUTHORITY**

Authority for the purchase of materials, equipment, supplies, and services is extended to the Superintendent or designee through cost-center appropriation as part of the District budget process.

The purchase of items and services within the cost-center appropriation requires no further Committee approval except when by law or by Committee.

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

CROSS REF.: DJE, Bidding Requirements

*Revised: April 2022*

## **PROCUREMENT REQUIREMENTS**

All purchases of materials and equipment and all contracts for construction or maintenance will conform to the requirements of the General Law.

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

All bids will be submitted in sealed envelopes, addressed to the Superintendent or designee 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 for the District 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 for the District 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 REF.: M.G.L. [30B](#)

CROSS REF.: DJA, Purchasing Authority

*Revised: April 2022*

## **PAYMENT PROCEDURES**

All claims for payment from school department funds will be processed in accordance with procedures developed by the Superintendent or designee. 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 (warrants) 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 municipal auditor for processing and subsequent payment by the municipal treasurer. Actual invoices, statements, and vouchers will be available for inspection by the School Committee upon request.

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

*Revised: April 2022*

## **EXPENSE REIMBURSEMENTS**

Personnel and school department officials who incur authorized expenses in carrying out their 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, aligned with the Internal Revenue Service standard mileage rate.

To the extent budgeted for such purposes in the school budget, approval of travel requests by School Committee members must have prior approval of the School Committee. Staff travel requests within budgetary limits may be approved by the Superintendent. Staff travel requests that exceed budgetary limits will require the approval of the School Committee and the identification of funding sources by administration. Each request will be judged on the basis of its benefit to the school district.

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

*Revised: April 2022*