

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: FISCAL MANAGEMENT GOALS

Category: FISCAL MANAGEMENT

File No.: DA

Adopted: 3/9/05

Revised:

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.

Adoption date: January 1996

SOURCE: MASC Policy

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: ANNUAL BUDGET

Category: FISCAL MANAGEMENT

File No.: DB

Adopted: 3/9/05

Revised:

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 member communities 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 may delegate portions of this responsibility to members of his staff as he deems appropriate. The three general areas of responsibility for the superintendent as budget officer will be budget preparation, budget presentation, and budget administration.

Revised: January 18, 1996

SOURCE: MASC Policy

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: BUDGET DEADLINES AND SCHEDULES

Category: FISCAL MANAGEMENT

File No.: DBC

Adopted: 3/9/05

Revised:

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 is outlined in the Regional Agreement.

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

Adoption date: January 1996

SOURCE: MASC Policy

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: BUDGET PLANNING

Category: FISCAL MANAGEMENT

File No.: DBD

Adopted: 3/9/05

Revised:

A 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.

Adoption date: January 1996

SOURCE: MASC Policy

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: BUDGET ADOPTION PROCEDURES

Category: FISCAL MANAGEMENT

File No.: DBG

Adopted: 3/9/05

Revised:

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

Adoption date: January 1996

SOURCE: MASC Policy

LEGAL REFS.: M.G.L. 71:16B; 71:34

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: BUDGET TRANSFER/APPROPRIATION

Category: FISCAL MANAGEMENT

Adopted: 3/9/05

File No.: DBJ

Revised:

1. All budget expenditures must be posted to the correct or most appropriate Line Item and Program that describe the purchase to be made.
2. Excluding salary related Line Items, an individual Line Item may be over-expended as long as there is sufficient appropriated budget funds within the Program to which it belongs to cover the expense.
3. No Budget Program shall be over-expended without the approval of the School Committee.
4. The Superintendent of Schools may transfer sufficient budget appropriations from one Line Item to another up to an aggregate amount of \$5,000 to any one Program to avoid any over-expenditures.
5. The School Committee must approve all budget transfers of appropriations that exceed an aggregate amount of \$5,000 to any one program.

Adoption date: 11/1/94

SOURCE: STRGSD Policy 14.6

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: FUNDING PROPOSALS AND APPLICATIONS

Category: FISCAL MANAGEMENT

File No.: DD

Adopted: 3/9/05

Revised:

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 and for submitting the proposals to the committee for approval.

Revised: January 18, 1996

SOURCE: MASC Policy

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: AUTHORIZED SIGNATURES

Category: FISCAL MANAGEMENT

File No.: DGA

Adopted: 3/9/05

Revised: 12/6/05

1. The Chairman of the School Committee, or his/her designee, is authorized to sign Southwick-Tolland-Granville Regional School District warrants and payrolls prior to payment.
2. All bills will be presented to the School Committee on a bills payable warrant and signed by a majority of members of the Committee prior to payment.
3. All emergency bills will be presented on a bills payable warrant and signed by a minimum of three (3) members of the school committee prior to payment.
4. The bills will be available for inspection at the next school committee meeting.
5. The treasurer signs all checks drawn against school department funds. No other signature is valid.

Revised: January 18, 1996

SOURCE: MASC Policy

LEGAL REF.: M.G.L. 41:52, 71:16A

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: BONDED EMPLOYEES AND OFFICERS
Category: FISCAL MANAGEMENT
File No.: DH

Adopted: 3/9/05
Revised:

In accordance with M.G.L. 71:16A, 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.

Adoption date: January 1996

SOURCE: MASC Policy

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: FISCAL ACCOUNTING AND REPORTING

Category: FISCAL MANAGEMENT

File No.: DI

Adopted: 3/9/05

Revised:

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.

Revised: January 18, 1996

SOURCE: MASC Policy

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: AUDITS

Category: FISCAL MANAGEMENT

File No.: DIE

Adopted: 3/9/05

Revised:

An audit of the school department's accounts will 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.

Adoption date: January 1996

SOURCE: MASC Policy

LEGAL REF: M.G.L. 71.16E

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: CAPITALIZATION POLICY

Category: FISCAL MANAGEMENT

File No.: DIF

Adopted: 8/19/03

Revised: 7/1/08

Purpose

To comply with Governmental Accounting Standards Board Statement #34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments” the District is adopting the following Capitalization Policy.

Effective July 1, 2002, all new and existing capital assets must be inventoried and included in the District’s accounting records.

Definition of Capital Assets

Capital assets are major assets that benefit more than a single fiscal period whose historical cost equal or exceed the District’s capitalization threshold. Capital assets may include such items as: land, land improvements, easements, buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, and infrastructure.

Infrastructure assets are long-lived capital assets that can be preserved for a significantly greater number of years than most capital assets and that are normally stationary in nature. Examples include roads, bridges, tunnels, drainage systems water systems, and dams.

Valuation of Capital Assets

Capital assets should be reported at their historical cost.

Historical cost is the amount of resources the District spends to purchase or construct a capital asset as well as the fair value of any donated components. Historical cost should include ancillary charges necessary to place the asset into its intended location and condition for use. Ancillary cost includes the costs that are directly attributable to asset acquisition, such as: freight, transportation charges, site preparation costs, and professional fees. For capital assets of proprietary funds (business-type activities) certain interest related to borrowed funds must also be capitalized.

The historical cost of a capital asset should include the cost of any subsequent additions or improvements but exclude the costs of repairs. An addition or improvement will either enhance a capital asset’s functionality (effectiveness or efficiency) or it will extend a capital asset’s useful life.

In the absence of historical cost information, the asset’s estimated historical cost should be used. Such estimates of historical costs could include independent appraisals, or procedures such as the “deflated” current replacement cost method.

Donated capital assets should be valued at their fair market value at the time they were acquired plus all ancillary costs incurred to place the asset into service.

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

Capitalization Thresholds

The District understands that it is not cost effective to track and inventory all of its assets. Accordingly assets will be segregated into two groups.

- Depreciable Assets – these are asset that meet the thresholds listed below and whose historical cost and depreciation must be reported for GAAP purposes.
- Non-Depreciable Assets – these are assets with a useful life of more than one year but whose historical cost is less than that set for depreciable assets. Assets included in this list are typically used for internal control and insurance purposes.

The following are threshold limits for capital assets.

| Type of Capital Asset | Tracking & Inventory | Capitalize & Depreciate |
|---|----------------------|-------------------------|
| Land Improvements | \$ 5,000 | \$ 25,000 |
| Building Improvements | \$ 5,000 | \$ 50,000 |
| Construction in progress | \$ 5,000 | Capitalized only |
| Machinery and equipment | \$ 5,000 | \$ 5,000 |
| Major A.V. & Computers-CPU's & Printers | \$ 1,000 | \$ 1,000 |
| Vehicles | \$ 5,000 | \$ 5,000 |

Establishing Useful Life

Estimated useful life means the estimated number of months or years that an asset will be able to be used for the purpose for which it was purchased.

Depreciation Method

To depreciate its capital assets the District has adopted the straight line method of depreciation. Under this method the District will depreciate the cost of a capital asset evenly over its useful life, except for the year of acquisition and in the last year of its useful life where only ½ year's depreciation will be taken.

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

Inventory of Capital Assets

The District will keep an inventory of all of its capital assets, which is maintained and perpetually updated by the accounting department.

The following data will be recorded for each asset:

- Asset location (site, building, floor, room)
- Department
- Asset Number
- Account (land, land improvements, buildings, equipment)
- Classification Code (data processing equipment, food service equipment, etc.)
- Description
- Manufacturer
- Model
- Serial Number (when readily available)

The District shall take an inventory of all capital assets prior to June 1 each year. The inventory will be reconciled with the perpetual inventory records maintained by the accounting department.

Disposition of Capital Assets

The disposal of a capital asset can result from the sale of the asset, a vendor return, trade-in, theft, transfer, or scrapping.

When capital assets are disposed of the accounting department must be notified. The book value of the capital asset together with the accumulated depreciation must be removed from the accounting records and a gain or loss recognized on the disposal.

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: PURCHASING

Category: FISCAL MANAGEMENT

File No.: DJ

Adopted: 3/9/05

Revised:

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.

All purchases made for good or services for the Southwick-Tolland-Granville Regional School District of \$25,000 or more shall use the bid process in accordance with the Uniform Procurement Act, MGL Chapter 30B, Sections 5 and 6, as amended in 2000.

The superintendent, his/her designee, or the school business manager 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, his/her designee, or the school business manager with such exceptions as may be made by the latter for emergency purchases.

Revised: January 18, 1996

SOURCE: MASC Policy, STRGSD Policy 14.1, 14.8

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: PURCHASING AUTHORITY
Category: FISCAL MANAGEMENT
File No.: DJA

Adopted: 3/9/05
Revised:

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.

Adoption date: January 1996

SOURCE: MASC Policy

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

CROSS REF.: DJE, Bidding Requirements

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: BIDDING REQUIREMENTS
Category: FISCAL MANAGEMENT
File No.: DJE

Adopted: 3/9/05
Revised: 1st Reading 11/18/14

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All purchases of materials and equipment and all contracts for construction or maintenance in amounts exceeding ~~\$25,000~~\$35,000 will be based upon competitive bidding.

An effort will be made to procure multiple bids for all purchases in excess of ~~\$25,000~~\$35,000. When recommending acceptance of a bid, the superintendent will inform the school committee whenever possible of the competitive price 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 maybe 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.

Adoption date: January 1996

Revised: July 2000

SOURCE: MASC Policy

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

SOURCE: MASC

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

CROSS REF.: DJA, Purchasing Authority

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: VENDOR RELATIONS
Category: FISCAL MANAGEMENT
File No.: DJG

Adopted: 3/9/05
Revised:

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.

Adoption date: January 1996

SOURCE: MASC Policy

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: PAYMENT PROCEDURES

Category: FISCAL MANAGEMENT

File No.: DK

Adopted: 3/9/05

Revised:

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 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 school business manager for processing and subsequent payment by the treasurer. Actual invoices, statements, and vouchers 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.

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

Revised: January 18, 1996

SOURCE: MASC Policy

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

School Committee Policy

SOUTHWICK-TOLLAND-GRANVILLE REGIONAL SCHOOL DISTRICT

CODE: EXPENSE REIMBURSEMENTS

Category: FISCAL MANAGEMENT

File No.: DKC

Adopted: 3/9/05

Revised:

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 committee. However, a monthly travel stipend, in an amount established by the committee, will be paid to those 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 \$_____ must be approved in advance by the committee. Travel requests for less than \$_____ may be approved by the superintendent.
3. Each individual request will be judged on the basis of its benefit to the school system.

Adoption date: January 1996

SOURCE: MASC Policy

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

School Committee Policy