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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 OPERATING BUDGET

The Hanover School Committee will adopt an annual operating budget according to the provisions of the General Laws, Town By-Laws, and School Committee policies.

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.

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

BUDGET DEADLINES AND SCHEDULES

The Superintendent shall be responsible for preparing a budget to conform to the guidelines and priorities established by the Hanover School Committee.

The budget shall be in line item format. The Superintendent shall provide such enrollment projections and analytical information as will enable the School Committee to make comparisons with past budgets, estimate future budgets and establish priorities.

The budget shall contain an estimate of the revenue anticipated (by source) for the budget period and a computation of the appropriation required to fund the budget.

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

BUDGET DEVELOPMENT PROCESS

By November 1 of each year the Superintendent shall submit to the School Committee for approval a calendar of events for developing a budget for the next fiscal year. The calendar will include, but not be limited to, the following events:

Committee Facilities Tour - A tour of school department facilities which will highlight needs for programs and buildings.

Budget Overview - A general review by the Superintendent of the proposed budget emphasizing gross costs, programs to be added or deleted and an estimate of total expenditures.

Tentative Budget — The Hanover School Committee shall adopt a tentative annual budget in sufficient time to allow for presentation of the budget to the various school councils and in sufficient time to allow for input and the preparation of handout information to be presented at a public hearing. The tentative budget will contain all anticipated costs and will itemize all anticipated revenue so that the information presented at the school budget hearing will be as complete as possible.

Final Budget - The final budget shall be adopted by the School Committee by formal vote in an open meeting. A public hearing is to be held annually in accordance with Chapter 71, Section 38N of the General Laws of the Commonwealth of Massachusetts.

The Chairperson of the School Committee shall inform the Selectmen and the town Advisory Committee of the School Committee vote and the appropriations requested as soon as possible so that they may be included in articles for annual town meeting.

LEGAL REF.: M.G.L. 71:38N

STAFF INVOLVEMENT IN BUDGET DEVELOPMENT

While the Superintendent has the primary responsibility for the development of the budget, it is imperative that the appropriate staff be involved in the development of data for estimating operating costs and for establishing budget priorities. This involvement will be structured into the budget preparation process at all levels and the Superintendent shall ensure that all administrators, school councils and managers are involved.

INVOLVEMENT OF OTHER COMMITTEES IN BUDGET DEVELOPMENT

The Selectmen, the Advisory Committee and other town committees shall be invited to attend meetings at which the tentative and final budget is presented.

TOWN MEETING APPROVAL OF BUDGET

The final budget shall become approved by the Town Meeting and effective at the beginning of the fiscal year.

BUDGET TRANSFER AUTHORITY

The Superintendent of Schools is authorized to transfer funds, with School Committee approval, which are required to balance accounts in order to provide program expenditures in keeping with the levels established by the School Committee or to increase the levels of expenditures if so voted by the School Committee.

All transfer requests will be made to the School Committee at the time of monthly review of financial statements or through special reports to the School Committee.

FUNDING PROPOSALS AND APPLICATIONS

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.

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

1. Any member of the School Committee and the Business Manager will sign payrolls presented for approval at Town Hall.
2. A majority of the School Committee membership must sign any warrants presented for payment.

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

ACCOUNTING AND REPORTING

All funds under the control of the Hanover School Committee shall be handled as prescribed by laws, regulations and efficient accounting procedures.

The Superintendent shall prescribe procedures for handling funds and shall provide the School Committee and other town agencies with a monthly and, when required, special reports in sufficient detail to keep the Committee informed as to the status of accounts and the financial situation of the school system.

All funds received from any source shall be deposited promptly with the Principal of the school who shall deposit them promptly, with the Town Treasurer. Each custodian of accounts shall keep a record of receipts and disbursements and these records shall be reviewed annually by the Superintendent.

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

INVENTORIES

Each year a physical count shall be taken of specified equipment items and the record shall be adjusted accordingly. A copy of the inventory shall be presented to the School Committee prior to December 1st.

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.

Every such purchase order shall be charged to the appropriate item of the budget approved by the Committee.

Purchase orders in excess of the unencumbered balance of the appropriated budget item shall be issued only in the event that sufficient money is available in the general appropriation voted by the Town Meeting. Any proposed expenditures that exceed the line item budget shall be brought to the attention of the School Committee. The monthly financial statement will serve as a report to the Committee concerning all items which are in excess of the amount budgeted.

Any proposed expenditure in excess of \$5000 not included in the final budget will be brought to the attention of the Committee by explicit reference in an addendum to the monthly financial statement. Actual expenditures will not take place until after the meeting at which the monthly financial statement has been received by the Committee and a bid, if required, for such expenditures has been approved by the Committee.

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

BIDDING REQUIREMENTS

All purchases of materials and equipment and all contracts for construction or maintenance shall be competitively bid in compliance with existing regulations

An effort will be made to procure multiple bids for all purchases in excess of \$25,000. 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. When specifications are prepared, they will be mailed to all merchants and firms who responded to advertising.

All bids will be submitted in sealed envelopes, addressed to the Business Manager 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.

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

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 Accountant for processing and subsequent payment by the Town 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.

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

EXPENSE REIMBURSEMENTS

All reimbursable expenses must be pre-approved in advance by the Superintendent.

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 established by the Town. However, a monthly travel stipend, in an amount established by the Committee, will be paid to the Superintendent, Assistant Superintendent, Business Manager, and others authorized by the Committee who are required to travel regularly within the school system on official business.

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

DISPOSAL OF SURPLUS SUPPLIES/EQUIPMENT

1. Upon receipt of the written approval of the Superintendent of Schools, Administrators within Hanover Public Schools may discard or donate surplus supplies that have a resale or salvage value of less than fifty (\$50.00) dollars.
2. Surplus supplies having an estimated resale or salvage value of fifty (\$50.00) dollars or more, but less than five thousand (\$5,000.00) dollars, may be sold, donated, or discarded subsequent to School Committee approval of the plan to sell, donate, or discard such supplies. The proceeds from any sale will be deposited in the appropriate account as determined by the School Business Manager based on the nature of the items and in compliance with Massachusetts General Laws.
3. Surplus supplies having an estimated resale or salvage value of five thousand (\$5,000.00) dollars or more may be sold or traded subsequent to official approval, by the School Committee, of the plan to sell or trade the surplus supplies and in accordance with all provisions as required under M.G.L. c. 30B.

Legal Ref: M.G.L., Chapter 30B