



Board of Trustees – Budget and Finance Committee

May Butler Center
55 S. Rodney Ave, Helena, MT, 59601

October 1st, 2021 – 12:00p.m.

AGENDA

- I. CALL TO ORDER / INTRODUCTIONS
- II. **GENERAL PUBLIC COMMENT:** *This is the time for comment on public matters that are not on the agenda. Public matters do not include any pending legal matters, private personnel issues or private student issues. Please do not attempt to address such issues at this time or you will be ruled out of order. The Board cannot enter into a discussion during General Public Comment.*
- III. REVIEW OF AGENDA
- IV. ITEMS FOR INFORMATION/DISCUSSION
 - A. Review Budget to Actual Report
 - B. Discussion of levies
 - C. Budgeted Funds & Non-Budgeted Funds
- V. BOARD COMMENTS
- VI. ADJOURNMENT

Helena Public Schools Board of Trustees

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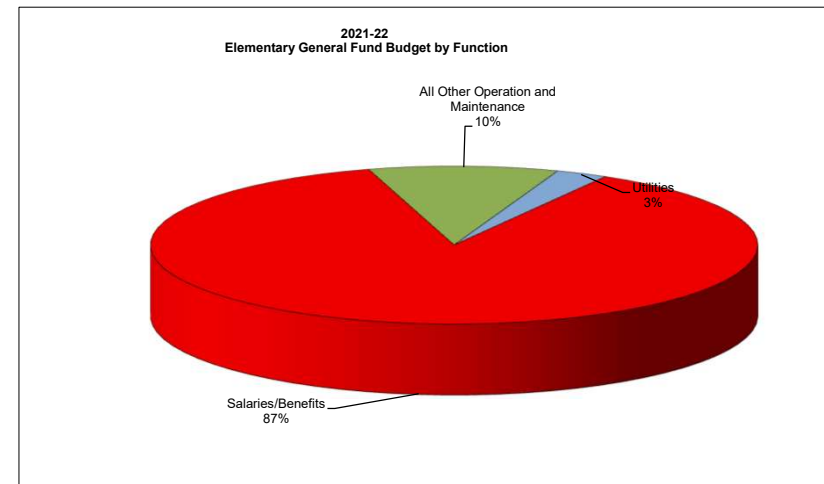
Jennifer Walsh
Trustee

**HELENA SCHOOL DISTRICT NO. 1
FINANCIAL REPORT FOR 9/26/2021
ELEMENTARY GENERAL FUND**

Account	Beginning	Annual	Year-to-Date	Budget	% Budget
Description	Budget	(after transfers & amendments)	Expended & Encumbered	Balance	Left
Administrative Salaries	\$ 2,492,042	\$ 2,492,042	\$ 2,475,367	\$ 16,675	0.7%
Educator Salaries	19,507,290	19,507,290	19,341,461	165,829	0.9%
Professional Salaries	3,058,636	3,058,636	3,081,843	(23,207)	-0.8%
Technical Salaries	1,551,914	1,551,914	1,479,316	72,597	4.7%
Clerical Salaries	1,218,857	1,218,857	1,243,960	(25,103)	-2.1%
Service Worker Salaries	1,567,182	1,567,182	1,418,238	148,944	9.5%
Para Professional Salaries	2,795,385	2,795,385	2,683,947	111,438	4.0%
Guest Educator Salaries	377,327	377,327	19,747	357,580	94.8%
Substitute Clerical Salaries	2,000	2,000	107	1,893	94.6%
Substitute Service Worker	60,000	60,000	15,872	44,128	73.5%
Substitute Para Salaries	20,300	20,300	5,450	14,850	73.2%
Overtime	17,645	17,645	4,982	12,663	71.8%
Sabbatical Leave Salaries	40,558	40,558	40,558	0	0.0%
Coaching Salaries/Stipends	86,410	86,410	66,713	19,697	22.8%
Termination Pay	500,000	500,000	47,508	452,492	90.5%
Admin TSA Employer Match	16,000	16,000	-	16,000	100.0%
Workers' Comp/Benefits	205,618	205,618	162,380	43,238	21.0%
Crafts Benefits	16,000	16,000	3,027	12,973	81.1%
Cell phone stipends	44,843	44,843	71	44,772	99.8%
Contracted Services	517,100	517,100	79,581	437,519	84.6%
Gas	297,542	297,542	11,433	286,109	96.2%
Electricity	546,389	546,389	71,822	474,566	86.9%
Water	115,535	115,535	39,942	75,593	65.4%
Sewer	59,266	59,266	13,185	46,080	77.8%
Garbage	42,089	42,089	4,235	37,854	89.9%
Repair and Maintenance	24,885	24,885	3,504	21,381	85.9%
Rental	61,015	61,015	44,069	16,946	27.8%
Instructional Field Trips	16,350	16,350	110	16,240	99.3%
Liability/Other Insurance	520,973	520,973	520,973	-	0.0%
Postage	13,915	13,915	2,695	11,220	80.6%
Advertising	12,625	12,625	437	12,188	96.5%
Printing	154,410	154,410	1,497	152,913	99.0%
Extracurricular Team Travel	400	400	-	400	100.0%
Travel	55,500	55,500	38,942	16,557	29.8%
Professional Development/Meetings	64,815	64,815	4,328	60,487	93.3%
Supplies	1,776,708	1,776,708	380,080	110,150	6.2%
Books	80,120	80,120	23,169	56,951	71.1%
Periodicals	30,600	30,600	11,468	19,132	62.5%
Minor Equipment	60,107	60,107	15,096	45,011	74.9%
Major Equipment	10,000	10,000	-	10,000	100.0%
Dues and Memberships	36,635	36,635	31,194	5,441	14.9%
Contingency	518,908	518,908	-	518,908	-
Total Budget	\$ 38,593,891	\$ 38,593,891	33,388,308	\$ 3,919,106	10.2%

Budget Transfers

From	To	Amount	Reason
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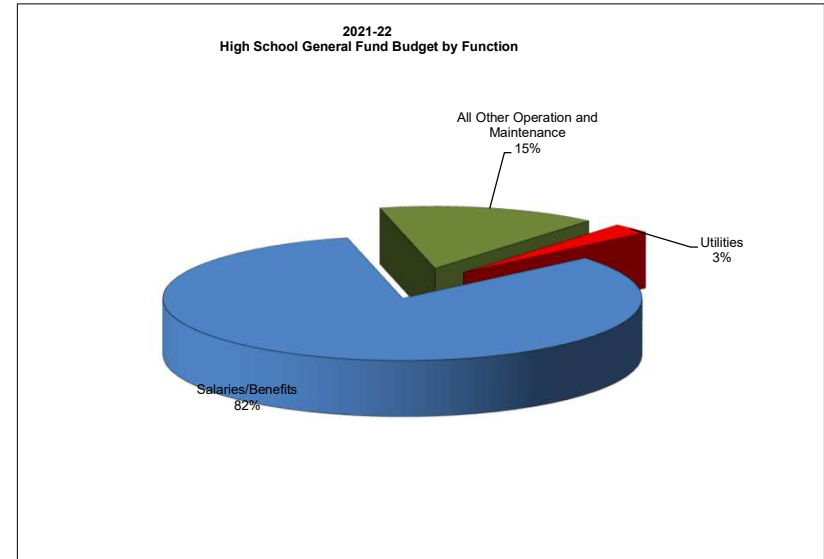


**HELENA SCHOOL DISTRICT NO. 1
FINANCIAL REPORT FOR 9/26/2021
HIGH SCHOOL GENERAL FUND**

Account	Beginning	Annual Budget	Year-to-Date Expended &	Budget	% Budget
Description	Budget	(after transfers)	Encumbered	Balance	Left
Administrative Salaries	1,322,194	1,322,194	1,220,505	101,689	7.7%
Educator Salaries	11,423,625	11,423,625	11,333,692	89,933	0.8%
Professional Salaries	1,256,048	1,256,048	1,334,143	(78,094)	-6.2%
Technical Salaries	786,612	786,612	766,571	20,041	2.5%
Clerical Salaries	1,145,832	1,145,832	1,108,884	36,948	3.2%
Service Worker Salaries	740,223	740,223	708,681	31,543	4.3%
Para Professional Salaries	393,529	393,529	304,050	89,479	22.7%
Guest Educator Salaries	367,855	367,855	9,900	357,955	97.3%
Substitute Clerical Salaries	-	-	-	-	#DIV/0!
Substitute Service Worker	40,000	40,000	4,939	35,061	87.7%
Substitute Para Salaries	11,982	11,982	1,329	10,653	88.9%
Overtime	15,140	15,140	3,294	11,846	78.2%
Sabbatical Salaries	42,058	42,058	41,931	127	0.3%
Coaching Salaries/Stipends	675,483	675,483	563,926	111,557	16.5%
Administrator TSA Employer Match	10,000	10,000	-	10,000	100.0%
Termination Pay	515,499	515,499	26,057	489,442	94.9%
Workers' Comp/Benefits	108,835	108,835	86,328	22,507	20.7%
Crafts Benefits	9,000	9,000	1,630	7,370	81.9%
Cell phone stipends	23,033	23,033	204	22,828	99.1%
Contracted Services	312,925	312,925	60,423	252,502	80.7%
Gas	196,237	196,237	17,001	179,236	91.3%
Electricity	315,550	315,550	36,488	279,062	88.4%
Water	47,103	47,103	10,449	36,653	77.8%
Sewer	22,514	22,514	7,365	15,149	67.3%
Garbage	31,527	31,527	2,934	28,594	90.7%
Repair and Maintenance	25,992	25,992	2,195	23,797	91.6%
Rental	37,234	37,234	17,945	19,289	51.8%
Instructional Field Trips	4,390	4,390	154	4,236	96.5%
Liability/Other Insurance	281,000	281,000	280,449	551	0.2%
Postage	19,741	19,741	2,722	17,019	86.2%
Advertising	12,695	12,695	235	12,460	98.1%
Printing	116,016	116,016	398	115,618	99.7%
Travel	27,233	27,233	19,733	7,500	27.5%
Professional Development/Meetings	66,051	66,051	3,937	62,114	94.0%
Extracurricular Travel	246,717	246,717	27,148	219,568	89.0%
Supplies	1,169,259	1,169,259	202,483	966,776	82.7%
Books	94,465	94,465	11,318	83,147	88.0%
Periodicals	6,873	6,873	120	6,753	98.3%
Minor Equipment	79,618	79,618	12,298	67,320	84.6%
Major Equipment	43,903	43,903	-	43,903	100.0%
Dues and Memberships	33,435	33,435	19,108	14,327	42.9%
Contingency	847,276	847,276	-	847,276	
total budget	\$ 22,924,703	\$ 22,924,703	\$ 18,250,969	\$ 4,673,734	20.4%

Budget Transfers

From	To	Amount	Reason
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HELENA PUBLIC SCHOOLS 10-YEAR LEVY HISTORY

HELENA ELEMENTARY VOTED LEVIES

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
General Fund	\$178,127	\$92,000		\$350,000			\$239,983	\$75,915	\$301,446	\$106,025
Debt Service Fund						\$63,000,000**				
Building Reserve Fund			\$1,250,000*							

*10-year levy approved May 2014

**\$63,000,000 bond approved in May 2017. The first issue (\$55,000,000) will be levied through 2037. The second issue (\$8,000,000) will be levied through 2039

HELENA HIGH SCHOOL VOTED LEVIES

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
General Fund		\$223,000		\$88,495			\$107,171		\$108,455	\$272,826
Debt Service Fund										
Building Reserve Fund			\$750,000*							

*10-year levy approved May 2014

HELENA ELEMENTARY PERMISSIVE LEVIES

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
General Fund	\$9,858,501	\$10,189,870	\$10,234,346	\$10,760,755	\$10,830,733	\$11,804,698	\$11,113,947	\$11,500,268	\$11,440,439	\$11,503,541
Transportation Fund	\$1,747,073	\$2,234,365	\$2,546,896	\$1,707,915	\$2,238,634	\$2,947,629	\$3,258,203	\$3,881,941	\$3,858,896	\$4,203,775
Tuition Fund		\$85,620	\$4,291	\$34,172	\$52,000	\$284,352**	\$751,621	\$1,241,749	\$1,527,760	\$1,794,021
Adult Education Fund	\$388,685	\$295,370	\$248,225	\$223,660	\$254,472	\$284,825	\$362,252	\$372,043	\$246,253	\$360,258
Technology Fund *	\$520,500	\$520,500	\$520,500	\$520,500	\$520,500	\$520,500	\$520,500	\$520,500	\$520,500	\$520,500
Debt Service Fund	\$69,785	\$12,380	\$14,605	\$56,087	\$127,056	\$3,377,198	\$4,543,746	\$4,589,329	\$5,030,075	\$4,736,946
Building Reserve Fund	\$1,000,000	\$1,000,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,801,900***	\$1,576,380	\$1,578,529	\$1,496,251

*Perpetual voted levy was passed in 2005

**Began levying for one-to-one services for students with IEPs

***New legislation allowing permissive levies for facilities

HELENA HIGH SCHOOL PERMISSIVE LEVIES

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
General Fund	\$6,509,897	\$6,617,898	\$6,672,871	\$6,749,130	\$6,843,429	\$7,467,182	\$6,879,343	\$6,907,649	\$6,762,459	\$6,794,540
Transportation Fund	\$571,841	\$922,340	\$856,803	\$768,205	\$826,652	\$1,118,122	\$983,076	\$1,286,568	\$1,321,107	\$1,261,140
Tuition Fund			\$30,128	\$104,446	\$90,100	\$254,516**	\$364,226	\$506,162	\$309,707	\$413,636
Adult Education Fund	\$569,781	\$412,885	\$234,512	\$183,067	\$81,233	\$320,000	\$346,808	\$356,426	\$379,771	\$327,727
Technology Fund*	\$559,500	\$559,500	\$559,500	\$559,500	\$559,500	\$559,500	\$559,500	\$559,500	\$559,500	\$559,500
Debt Service Fund	\$663,782	\$574,300	\$572,520	\$679,038	\$337,054	\$64,010	\$99,522	\$183,332	\$203,474	\$164,425
Building Reserve Fund	\$550,000	\$550,000	\$750,000	\$750,000	\$750,000	\$750,000	\$1,061,300**	\$907,348	\$910,798	\$894,231

*Perpetual voted levy was passed in 2005

**Began levying for one-to-one services for students with IEPs

***New legislation allowing permissive levies for facilities

BUDGETED FUNDS

Prepared by Denise Williams, MT Association of School Business Officials

September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
01 GENERAL			
<p>20-9-309, MCA 20-9-306, MCA 20-9-308, MCA</p> <p>Used to account for all financial resources and functions of the school district except for those required to be accounted for in another fund.</p> <p>A district may only have one general fund.</p>	<p>X01-1110 District Tax Levy (permissive and voted) X01-1117 Prior Year Delinquent Taxes X01-1190 Penalties & Interest on Delinquent Taxes X01-3110 Direct State Aid X01-3111 Quality Educator X01-3112 At-Risk Student X01-3113 Indian Education for All X01-3114 American Indian Achievement Gap X01-3115 State Special Education Allowable Cost X01-3116 Data for Achievement X01-3120 Guaranteed Tax Base Aid X01-1510 Interest Earnings X01-1900 Other Income X01-3460 Montana Oil & Gas Tax</p>	<p>X01-100-XXXX-XXX Regular education X01-280-XXXX-XXX Special education</p> <p>Expenditure Budget Limits: BASE Budget – minimum budget that must be adopted by every district</p> <p>Maximum Budget – 100% of the various entitlements used to compute the district's budget limits</p> <p>Highest Budget Allowed – greater of: 1) Maximum Budget, or 2) Prior year adopted budget plus any increases in the funding components</p> <p>Highest Budget without a Vote: BASE budget plus highest over-BASE levy approved by voters or levied in past five years</p>	<p>Reserve limit = 10% of the ensuing year's budget (\$10,000 minimum), except that district may also keep as "excess reserves" an amount equal to the collection of delinquent and protested taxes.</p> <p>Fund Balance Reappropriated is limited to 15% of the maximum budget. Any excess must be returned to the state 20-9-104 (4).</p>

BUDGETED FUNDS

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September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
10 TRANSPORTATION			
<p>20-10-101, MCA 20-10-143, MCA To finance the operation of a program to transport students to and from home and school.</p>	<p>X10-1110 District Tax Levy (permissive) X10-14XX Transportation Fees X10-1510 Interest Earnings *X10-2220 County Reimbursement *X10-3210 State Reimbursement X10-3460 Montana Oil & Gas Tax</p> <p>*Reimbursements based on:</p> <ul style="list-style-type: none"> Eligible transportee (a student who resides at least 3 miles from the nearest school) Bus route miles and rated capacity of the bus Non-bus miles Individual transportation contracts <p>OPI pays state reimbursement on: Sept. 1 – 50% of previous year's state reimbursement By March 31 – 1st semester reimbursement less amount paid on Sept, 1 By June 30 – Remaining owed for 1st and 2nd semesters</p> <p>County pays county reimbursement after receiving the state payment report, usually in March/April and June.</p>	<p>X10-100-2700-XXX Regular education X10-280-2700-XXX Special education</p> <ul style="list-style-type: none"> Salaries/benefits of bus drivers, aides, % of administrative salaries Purchase, replacement, repair and maintenance of yellow school bus Individual transportation contracts Bus storage facilities Bus service contracts Crossing guards <p>No field trip, activity or athletic transportation expenditures are allowed from this fund.</p>	<p>Reserve limit = 20% of ensuing year's budget Reappropriated amounts are applied first to reduce the local tax levy, then county reimbursement, then state reimbursement.</p> <p>Use OPI Transportation Budgeting Spreadsheet to determine "on-schedule costs" (estimated reimbursement for bus routes and individual contracts and contingency)</p> <p>Budget steps:</p> <ol style="list-style-type: none"> Determine expenditure budget. Estimate on-schedule costs. Estimate non-levy revenue (reappropriation, interest, etc. Determine local permissive tax levy. <p>Note: The county transportation reimbursement is funded by:</p> <ul style="list-style-type: none"> county oil and gas taxes county coal gross proceeds taxes federal forest reserve funds county investment earnings Secure Rural Schools funds cash available for reappropriation countywide levy (permissive)

BUDGETED FUNDS

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September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
11 BUS DEPRECIATION RESERVE			
20-10-147, MCA To finance the replacement of buses, two-way radio equipment, communication systems and safety devices owned by the district.	X11-1110 District Tax Levy (permissive) X11-1510 Interest Earnings X11-3460 Montana Oil & Gas Tax "Depreciation" describes the process by which funds are raised. Funds are accumulated over the useful life of each asset (bus or radio) in order to have enough money available to replace it when it is taken out of service.	X11-100-2700-660/730 Regular education X11-280-2700-660/730 Special education Object 660 Equipment costing less than the district's capitalization policy. Object 730 Equipment costing more than the district's capitalization policy. <ul style="list-style-type: none"> • Convert, remodel or rebuild buses • Purchase additional yellow route bus • Replace route or activity buses • Replace 2-way radios, GPS and cameras No expenditures for ordinary repairs and maintenance are allowed from this fund.	Reserve limit = none Reappropriate all fund balance to support the ensuing year's budget. The annual local levy is limited to 20% of the cost of each asset (bus or radio), not to exceed 150% over time. Example: Bus cost \$ 100,000 Annual limit (20%) \$ 20,000 Maximum depreciation \$ 150,000 Expenditure budget = fund balance reappropriated (all) + tax levy + non-levy revenue
13 TUITION			
20-5-323, MCA 20-5-324, MCA To finance tuition costs for elementary and high school students who attend school outside their district of residence, and for the actual cost of services for an in-district student with an IEP (subject to limitations).	X13-1110 District Tax Levy (permissive) X13-3460 Montana Oil & Gas Tax Use OPI's Permissive Levy Instructions & Calculator to determine how much may be levied in this fund for the actual cost of services for in-district special education students.	X13-100-1000-560 Regular educ. tuition X13-280-1000-560 Special educ. tuition X13-280-1000-320 In-state day treatment/private program X13-280-XXXX-XXX Actual costs of services for an in-district student with an IEP *X13-100-1000-563 Detention center charges * 41-5-1807, MCA : For students detained in a youth detention center for more than 9 consecutive days, the county where the detention center is located may charge the student's district of residence \$20/day. Invoices are sent by June 30. District must pay by July 15.	Reserve limit = none Reappropriate all fund balance to support the ensuing year's budget. Use the following OPI resources: Tuition Handbook Tuition Accounting Guidance Student Attendance Agreement Forms Instructions for Completing FP-14 FP-14.1 Student Attendance Agreement FP14-A Special Tuition Rates FP-14.2 Foster and Group Home Student Attendance Agreement

BUDGETED FUNDS

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September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
14 RETIREMENT			
<p><u>20-9-501, MCA</u> To finance employer contributions for TRS, PERS, Social security, Medicare and unemployment insurance for employees paid from state or local funds.</p>	<p>*X14-2240 County Retirement Distribution</p> <p>*A.R.M. 10-10-309 The county superintendent distributes the cash balance in the countywide retirement fund to school districts and special education cooperatives on a monthly basis in proportion to the county requirement of each district or cooperative to the total requirement.</p>	<p>X14-XXX-XXXX-210 Social security and Medicare X14-XXX-XXXX-220 TRS X14-XXX-XXXX-230 PERS X14-XXX-XXXX-240 Unemployment ins.</p> <ul style="list-style-type: none"> Retirement costs for employees paid from federal funds (except Impact Aid and School Foods) must be paid from the federal program. No early retirement allowance or payments to employees are allowed expenditures from this fund. 	<p>Reserve limit = 20% of ensuing year's budget</p> <p>District non-levy revenue and FB reappropriated reduces the county retirement distribution requirement.</p> <p>*The county retirement distribution is funded by:</p> <ul style="list-style-type: none"> county oil and gas taxes county coal gross proceeds taxes federal forest reserve funds county investment earnings Secure Rural Schools funds cash available for reappropriation countywide levy (permissive) *** <p>***countywide levy may be supported by Guaranteed Tax Base Aid if the county retirement mill value per ANB is less than the statewide mill value per ANB.</p>
17 ADULT EDUCATION			
<p><u>20-7-705, MCA</u> To finance the instruction of persons 16 years of age or older who are not regularly enrolled, full-time pupils for the purposes of ANB computation.</p> <p>*20-7-1506, MCA Advanced Opportunity Program expenditures</p>	<p>X17-1110 District Tax Levy (permissive) X17-1340 Adult Education Fees X17-1510 Interest Earnings X17-3460 Montana Oil & Gas Tax</p> <p>*X17-1110 District Tax Levy District can match up to 25% of Advanced Opportunity Aid, if qualified (See Fund 29 Flexibility Fund)</p>	<p>X17-6XX-1000-XXX</p> <ul style="list-style-type: none"> Salaries for instructors Supplies necessary for instruction in the class, but not for projects taken home by the students <p>*X17-377-XXXX-XXX (OPI Guidance)</p>	<p>Reserve limit = 35% of ensuing year's budget</p> <p>*Advanced Opportunity Program match Spend on any qualifying pupil (enrolled in grades 6-12)</p> <ul style="list-style-type: none"> At least 60% to address student or family out-of-pocket costs for the advanced opportunity: <ul style="list-style-type: none"> dual credit tuition exam fees (AP, ACT, SAT, CLEP, etc.) fees for work-based learning or for obtaining any industry-recognized credential or license Remaining may be spent for any K-12 CTE course offered by the district

BUDGETED FUNDS

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September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
28 TECHNOLOGY			
20-9-533, MCA To finance technology acquisition.	<p>*X28-1110 District Tax Levy (voted) – see Other Considerations</p> <p>X28-1510 Interest Earnings</p> <p>X28-3281 State Technology Aid OPI allocates the state technology aid appropriation (\$1 million) to school districts based on General Fund BASE budgets and distributes the payment in August.</p> <p>X28-3460 Montana Oil & Gas Tax</p>	<p>X28-XXX-XXXX-XXX</p> <ul style="list-style-type: none"> Purchase, rental, repair and maintenance of technological equipment, including computers and computer network access Associated technical training for school district personnel Cloud computing services, including any subscription or any license-based or pay-per-use service that is accessed over the internet or other remote network to meet the district's information technology and other needs <p>Employer contributions for Social security, Medicare, TRS, PERS, and unemployment insurance may not be paid from this fund.</p>	<p>Reserves limit = none Reappropriate all fund balance to support the ensuing year's budget.</p> <p>*Levies approved <i>prior to July 1, 2013</i></p> <ul style="list-style-type: none"> Can be permanent or durational Annual levy cannot exceed 20% of the original cost of equipment owned by the district Amount levied over time cannot exceed 150% of the original cost of the equipment \$\$ can be used for equipment, network access and training of school personnel <p>*Levies approved <i>after July 1, 2013</i></p> <ul style="list-style-type: none"> May not exceed 10 years Can be based on all allowable costs listed in the statute (equipment, cloud storage, training, etc.) Districts with an existing perpetual levy can <ul style="list-style-type: none"> Ask for an increase in the amount of the levy to cover cloud computing and training, and/or Seek relief from tracking depreciation under existing levy Can propose a duration for each, not to exceed 10 years

BUDGETED FUNDS

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September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
29 FLEXIBILITY			
<p>*20-9-543, MCA To account for receipt of the state Flexibility Payment (if any) and other revenues and expenditures.</p>	<p>*X29-1110 Local Tax Levy (voted) *X29-3282 State Flex Fund Payment *Voted levy is based on state flexibility payment. No payment since 2003. No state payment = no levy. (HB32 2021 Legislature)</p> <p>X29-1510 Interest Earnings X29-3460 Montana Oil & Gas Tax</p>	<p>*X29-XXX-XXXX-XXX Allowed in 20-9-543, MCA Technology; Facility/equipment expansion; Student assessment and evaluation; Curriculum development; Supplies and training for classroom staff to support delivery of education programs; Classroom teacher housing; Retention of certified staff; Increased energy costs caused by increases since 2001; Innovative education programs defined in 20-9-902, MCA</p>	<p>Reserve limit = none. Reappropriate all fund balance to support the ensuing year's budget.</p> <p>Beginning July 1, 2020 fund balance limit is 150% of the Maximum General Fund budget. Excess must be remitted to the state. (HB32 2021 Legislature)</p>
<p>**20-7-1602, MCA Incentive for Creation of Transformational Learning (TL) programs, providing certain conditions are met (expires 6/30/2027).</p>	<p>**X29-1110 Local Tax Levy (permissive) – TL match **X29-3760 Transformational Learning Aid Payment **X29-5304 Transfers from Other Funds</p>	<p>**X29-376-XXXX-XXX (OPI Guidance) Transformational Learning Program Allowable expenditures: Follow the district's approved TL plan.</p>	<p>**HB351 Encourage transformational learning A school district defined in 20-6-101, MCA (public school district)</p> <ul style="list-style-type: none"> Submits a timely application to OPI Board of Public Education "qualifies" the district District is then eligible for a 4-consecutive year provision (only once in an 8-year period) of: <ul style="list-style-type: none"> the State Transformational Learning Aid Payment (50% of PY quality educator payment X FTE quality educators assigned to the program), and may permissively levy up to 100% of the State TL Aid in the Flexibility Fund and must include the levy on the Notice of Intent to Increase Non-Voted Levies (20-9-116, MCA), and may transfer state and local revenue from any budgeted or nonbudgeted fund (not Debt service or Retirement) to support the TL program
<p>***20-7-1506, MCA Incentives for Creation of Advanced Opportunity Programs, providing certain conditions are met</p>	<p>***X29-3770 Advanced Opportunity Aid (AOA) ***X29-5304 Transfers from Other Funds</p> <p>Advanced Opportunity Aid:</p> <ul style="list-style-type: none"> Available FY2021 and beyond OPI pays by October 1 Elementary district: 3% of prior year QEC payment High school district: 20% of prior year QEC payment K-12 district: 8.5% of prior year QEC payment 	<p>***X29-377-XXXX-XXX (OPI Guidance)</p> <ul style="list-style-type: none"> Spend on any qualifying pupil (enrolled in grades 6-12) At least 60% to address student or family out-of-pocket costs for the advanced opportunity: <ul style="list-style-type: none"> dual credit tuition exam fees (AP, ACT, SAT, CLEP, etc.) fees for work-based learning or for obtaining any industry-recognized credential or license Remaining may be spent for any K-12 CTE course offered by the district 	<p>***HB387 Montana Advanced Opportunity Act</p> <ul style="list-style-type: none"> District has an "advanced opportunity plan" District submits application to OPI Board of Public Education approves the plan OPI pays "advanced opportunity aid" District can match up to 25% of Advanced Opportunity Aid using Adult Education Fund levy (see Adult Education Fund (17)

BUDGETED FUNDS

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September 2021

Purpose	Funding Sources	Allowable Expenditures	Other Considerations
50 DEBT SERVICE			
20-9-438, MCA To finance the payment of the principal, interest and associated fees on outstanding bonds and special improvement district (SID) assessments	X50-1110 Local Tax Levy (voted) X50-1510 Interest Earnings X50-3460 Montana Oil & Gas Tax X50-3120 State Debt Service Assistance (formerly Facilities Reimbursement and Advance)**	X50-100-5100-830 Special Assessments X50-100-5100-840 Principal on Debt X50-100-5100-850 Interest on Debt X50-100-5100-860 Agent Fees Use function 6300 for refunding bonds	Reserve limit – valid expenditures for July 1 through November 1 of the ensuing fiscal year. Reappropriate all fund balance to support the ensuing year's budget. Use 9100 code to estimate state facilities reimbursement and advance on the budget form. **State Debt Service Assistance (formerly Facilities Reimbursement and Advance) 20-9-371, MCA <ul style="list-style-type: none"> Provides state subsidies to eligible schools to repay bonds District's mill value per ANB must be less than the corresponding facility guaranteed mill value per ANB State advance payment is paid on in the first year of the bond

BUDGETED FUNDS

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Purpose	Funding Sources	Allowable Expenditures	Other Considerations
61 BUILDING RESERVE			
<p>20-9-502, MCA</p> <p>Sub-funds must be established for the following:</p> <ol style="list-style-type: none"> 1) voter approved building or construction projects, funded with district mill levies 2) permissive (non-voted) levies raised to address identified major maintenance projects 3) voter approved transitional costs of opening/closing school funded with district mill levies 4) transfers from other funds for school and student safety and security and/or voted levy for school and student safety and security <p>See OPI Building Reserve Fund Guidance Document</p>	<p>X61-1110 Local Tax Levy*</p> <p>X61-1510 Interest Earnings</p> <p>X61-3283 School Major Maint Aid</p> <p>X61-3460 Montana Oil & Gas Tax</p> <p>X61-5300 Transfers from Other Funds</p> <p>X61-5301 School Safety Security Transfers ***</p> <p>*Voter approved levies:</p> <ul style="list-style-type: none"> - Trustees must adopt a resolution addressing the duration of time over which the total amount of money will be raised, in equal, annual installments - Limited to a maximum of 20 years for building-type levy - Limited to a maximum of 6 years for transitional-type reserve - new in FY2020, voted levy for school and student safety and security; unlimited in amount and duration. <p>*Permissive levy (FY2023 budgets)</p> <ul style="list-style-type: none"> - School major maintenance amount (SMMA) = \$15,000 + (prior year budget ANB X \$110). For a K-12 district, the SMMA = \$30,000 + (prior year budget ANB X \$110) - Using prior year taxable value, a district may levy up to 10 mills to fund the SMMA (20 mills for a K-12 district) - Local effort revenues for the SMMA may consist of permissive levies, deposits, and transfers from lawfully available revenue sources. 	<ol style="list-style-type: none"> 1) Voter-approved levy for purpose stated on the ballot (future construction, equipping, enlarging of school buildings or for purchasing land needed for school purposes). <ul style="list-style-type: none"> X61-100-2600-XXX X61-100-4000-XXX 2) Permissive levy for major maintenance projects under 20-9-525(2), MCA or school and student safety and security under 20-9-236(1), MCA <ul style="list-style-type: none"> X61-100-2600-XXX X61-100-4000-XXX X61-190-XXXX-XXX 3) Voter-approved levy for transitional costs must be spent on the purposes stated on the ballot (transitional costs of opening/closing schools, replacing school buildings or consolidating/ annexing). <ul style="list-style-type: none"> X61-100-XXXX-XXX 4) Safety transfers under 20-9-236(2), MCA, must be spent within two fiscal years after the funds are transferred. Any remaining money must be transferred back to the originating fund from which the revenue was transferred. <p>Or voted levy for school and student safety and security expenditures under 20-9-502(5)(b) and as stated on the ballot.</p> <ul style="list-style-type: none"> X61-190-XXXX-XXX 	<p>Reserve limit = none.</p> <p>Reappropriate all fund balance to support the ensuing year's budget.</p> <p>The following codes are used for each sub-fund (revenues/transfers in and expenditures):</p> <ul style="list-style-type: none"> 614 – Transition Levy subfund 612 – Voted Levy subfund 613 – Permissive Levy subfund 611 - Safety Transfers subfund <p>(Note: also use OPI-assigned PRC if a budget amendment was needed for authority to spend the money transferred from other funds)</p> <p>***20-9-236, MCA allows transfers of state or local revenue from any budgeted or nonbudgeted fund (but not Debt Service or Retirement). See OPI's School Safety Transfers Guidance for more information.</p> <p>State School Major Maintenance Aid</p> <p>A payment from the state to support the local permissive levy for the school major maintenance amount (SMMA). The maximum amount the state will cover is 80% of the allowable SMMA.</p> <p>If actual state revenues and appropriation are not sufficient to cover the maximum allowed state payment, the state payment will be prorated proportionally across all eligible school districts based on the calculation described in 20-9-525, MCA.</p>

NON-BUDGETED FUNDS

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Purpose	Funding Sources	Allowable Expenditures	Other Considerations
12 SCHOOL FOOD SERVICES			
20-10-207, MCA Providing breakfast and lunch to students	X12-16XX Sales (breakfast, lunch, milk, snacks, ala carte, catering, etc.) X12-3220 State Match X12-4550 Federal Reimbursement X12-4552 Fresh Fruit & Vegetable	X12-910-3100-XXX <ul style="list-style-type: none"> Salaries/benefits of kitchen staff, delivery drivers, % of admin. salaries Purchase, repair and maintenance of food service equipment Food and supplies 	<ul style="list-style-type: none"> End of year fund balance is limited to the equivalent of 3 months of expenditures (federal requirement). This program is often subsidized by the General Fund. Resources and report deadlines: OPI School Nutrition Programs web page
15 MISCELLANEOUS PROGRAMS			
20-9-507, MCA Account for local, state and federal grants and reimbursements. Use a Project Reporter Code (PRC) to track each grant separately.	X15-1XXX-PRC Local (usually donations) X15-3XXX-PRC State grants X15-3290-PRC MT Digital Academy X15-335X-PRC Medicaid Reimbursements X15-4XXX-PRC Federal grants X15-4930-PRC Federal Indirect Cost (IDC) Recovery	X15-1XX-XXXX-XXX-PRC Local X15-3XX-XXXX-XXX-PRC State X15-4XX-XXXX-XXX-PRC Federal <ul style="list-style-type: none"> Allowable expenditures determined by grant award or agreement Salaries and benefits must be paid from the same funding source X15-XXX-62XX-940-PRC Transfer Indirect Cost recovery from grant to the Indirect Cost Pool	<ul style="list-style-type: none"> Reimbursements and Indirect Cost recoveries may be spent on any school purpose. Use Fund 15 Recap Worksheet to balance cash in separate PRCs to total Fund 15 cash balance. COVID-19 Federal Grant Guidance This document provides descriptions, guidance and special revenue and expenditure codes for the various federal funding provided in the CARES Act (ESSER I and CRF), CSSR Act (ESSER-II), ARP (ESSER-III) and other funding made available to schools "to prevent, prepare for and respond to coronavirus".
18 TRAFFIC EDUCATION			
20-7-507, MCA Providing a traffic education program	X18-1311 Fees from Students X18-3260 State Drivers Ed Reimbursement	218-100-1770-XXX <ul style="list-style-type: none"> Instructor salaries and benefits Textbooks and supplies for program Purchase, repair and maintenance of drivers education vehicles Fuel and insurance for vehicles 	Resources and report deadlines: OPI Traffic Education Form and Reports web page

NON-BUDGETED FUNDS

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Purpose	Funding Sources	Allowable Expenditures	Other Considerations
20 LEASE RENTAL AGREEMENT			
20-9-509, MCA To account for pupil or teacher housing in district-owned buildings under a lease or rental agreement with pupils or teachers.	X20-1910 Rental income X20-1915 Dormitory charges	X20-100-26XX-XXX <ul style="list-style-type: none"> Utilities Repair and maintenance of property Custodial expenses related to leased area Administrative cost of owning leased property Insurance for property Acquisition of additional housing or dormitory facilities X20-999-6100-910 Transfers to General Fund	<ul style="list-style-type: none"> End of year fund balance limited to \$10,000 (\$20,000 for a K-12 district). Excess must be transferred to the General Fund.
21 COMPENSATED ABSENCES			
20-9-512, MCA To accumulate funds for up to 30% of sick and vacation leave payout for non-teaching and administrative employees.	X21-1510 Interest Earnings X21-5300 Transfers from General Fund	X21-100-XXXX-1XX and 2XX X21-2XX-XXXX-1XX and 2XX <ul style="list-style-type: none"> Salaries related to sick and vacation leave payout Benefits on payouts (TRS or PERS, workers' comp and unemployment ins.) X21-999-6100-910 Transfers to General Fund	<ul style="list-style-type: none"> Use OPI's Compensated Absences Spreadsheet Must have budget authority in General Fund for a transfer to Compensated Absences Fund. End-of-year fund balance is limited to 30% of termination pay + employer share of TRS or PERS, workers' comp and unemployment ins. Excess fund balance in the Compensated Absences Fund must be transferred back to the General Fund.
26 IMPACT AID			
20-9-514, MCA Federal funds intended to replace the lack of tax revenue generated on land held in trust by the Federal government.	X26-4820 Impact Aid X26-4821 Impact Aid Discretionary Construction	X26-XXX-XXXX-XXX Funds may be spent on any school purpose, with exceptions: X26-280-XXXX-XXX Allocation for students with disabilities must be spent on those student needs X26-100-26XX-XXX and X26-100-4XXX-XXX Allocation for <u>construction</u> must be spent on maintenance, repairs or construction of new buildings	<ul style="list-style-type: none"> Districts must submit an annual application in January for the ensuing fiscal year. Allocations are based on students who live on non-taxable land. Revenue is received around November/December.

NON-BUDGETED FUNDS

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27 LITIGATION RESERVE			
20-9-515, MCA To pay legal settlements and court judgments against the district.	X27-5300 Transfers from General Fund	X27-100-2500-820 Judgment Against District X27-999-6100-910 Transfers to General Fund	<ul style="list-style-type: none"> Must have budget authority in the General Fund for a transfer to the Litigation Reserve Fund. After the settlement/judgment has been paid, remaining funds must be transferred back to the General Fund.
45 PERMANENT ENDOWMENT			
20-9-604, MCA To account for endowments which allow the use of interest earnings only (not principal) to support the district's programs.	X45-1920 Contributions & Donations from Private Sources (<i>principal</i>) X45-1510 Interest Earnings	X45-XXX-XXXX-XXX Interest earnings only may be spent to support the district's programs.	<p>Use the following for other circumstances:</p> <p>Misc. Programs Fund (15) for donations that allow both principal and interest to be spent in support of the district's programs. X15-XXX-XXXX-XXX-PRC</p> <p>Private Purpose Trust Fund (81) for donations that allow only interest to be spent in support of outside groups or individuals. X81-500-3400-870 Student Scholarships</p> <p>Private Purpose Trust Fund (85) for donations that allow both principal and interest to be spent in support of outside groups or individuals. X85-500-3400-870 Student Scholarships</p>
60 BUILDING			
20-9-508, MCA To account for building and construction projects using bond or insurance proceeds, federal funds, proceeds from the sale of property or other money received for the express purpose of building, enlarging or remodeling a school building or other buildings of the district.	X60-1510 Interest Earnings X60-5110 Sale of Bonds X60-5200 Sale or Compensation for Loss of Assets	X60-100-4XXX-720 Purchase Existing Buildings X60-100-4000-725 Major Construction Services X60-100-4000-730 Major Equipment <ul style="list-style-type: none"> Expenditures using bond proceeds are limited to purpose stated on ballot to approve bonds. Federal money can only be spent for the express purpose of the grant. 	Any bond money remaining after the full accomplishment of the purpose for which the bonds were sold must be transferred to the Debt Service Fund (50).

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Purpose	Funding Sources	Allowable Expenditures	Other Considerations
82 INTERLOCAL AGREEMENT			
20-3-363 , 20-7-457 , 20-7-801 , 20-9-511 and 20-9-701 , MCA To account for revenues and expenditures related to an interlocal agreement between two or more school districts or other local governments.	X82-5300 Operating Transfers from Other Funds X82-5700 Resources Transferred from Other School Districts or Cooperatives	X82-XXX-XXXX-XXX <ul style="list-style-type: none"> Expenditures that are permitted by law. Expenditures for any service, activity or undertaking the participating districts have mutually agreed upon in an interlocal cooperative agreement or a multi-district agreement. Expenditures are limited to the amount of cash on hand in the fund. 	For multi-district agreements (20-3-363, MCA): Trustees may transfer \$\$ from any budgeted or non-budgeted fund to the Interlocal Agreement Fund (82). <ul style="list-style-type: none"> No transfers from Retirement (14) or Debt Service (50) Must have budget authority to make the transfer. Transfers from the General Fund (01) are limited to the amount of Direct State Aid (DSA). Transfers from funds supported by a permissive (nonvoted) levy* may not be replenished in a subsequent year. <p>*Transportation (10); *Bus Depreciation (11), *Tuition (13), *Adult Education (17), Technology (28), *Flexibility (29) and *Building Reserve (61)</p>
84 STUDENT EXTRACURRICULAR			
20-9-504 , MCA For receiving and expending money collected for pupil extracurricular functions.	X84-1700 Student Extracurricular Activity Receipts	X84-7XX-3XXX-XXX Extracurricular activities, such as athletics, clubs, classes, student government organizations and student publications.	Trustees set policies guidelines and policies in accordance with the Student Activity Manual . Funds may be maintained in a separate bank account outside control of the county treasurer. Use the Student Activity Fund Recap Spreadsheet for balancing and reconciling. For financial reporting purposes, this fund is classified as a trust fund; however if appropriate, it may be classified as a special revenue fund to comply with GASB 84 and other GASB requirements. GASB 84 Fiduciary Activities impacts financial reporting of the Student Activity Fund for reporting periods after December 15, 2018; for Montana, the first fiscal year of implementation is FY2020. Click here to see GASB 84 statement posted on the GASB website. Click here to see MASBO's power point presentation on GASB 84.