



# Montana Certified School Business Official Certification Exam Training

TEST #3



# Test 3 Topics

- School Law
- Risk Management
- Records
- Facilities Management
- Ethics
- Bonds & Bond Elections



# School Law



# School District Trustees

- Taking & Leaving Office
- General Duties, Responsibilities & Authorities
- General Restrictions
- Meeting Procedures

**Reference Materials:** MELR 1100 Trustee Essentials, MCA 2-3-XXX Public Participation in Government Operations, MCA 20-3-XXX Elected Officials

# District Superintendent & Principals

- General Duties, Responsibilities & Authorities
- General Restrictions
- Contract Renewal/Non-Renewal

**Reference Materials:** MELR 5700 Hiring Practices & Contracts, MCA 20-4-XXX  
Teachers, Superintendents, & Principals

# District Clerk/Business Manager

- General Duties, Responsibilities & Authorities **to the Board**
- General Restrictions
- Executing Personnel Contracts

**Reference Materials:** MELR 5700 Hiring Practices & Contracts,  
2019 MASBO Conference School Law Overview, MCA 20-3-XXX Elected Officials

# Certified Staff

- Contracts
- Tenure/Non-Tenure
- Re-Election/Dismissal
- Required Notices

**Reference Materials:** MELR 5700 Hiring Practices & Contracts, MCA 20-4-XXX  
Teachers, Superintendents, & Principals



# Questions

1. **True or False:** Special meetings of the trustees may be called by the presiding officer or any three members of the trustees by giving each member a 24-hour written notice of the meeting.
2. **True or False:** A district superintendent or county high school principal may not engage in any work or activity that the trustees consider to be in conflict with the duties and employment as the district superintendent or county high school principal.
3. **True or False:** Upon receiving tenure, the employment of a teacher may not be terminated.
4. Each contract of employment must be authorized by a proper resolution of the trustees and must be executed in duplicate by the \_\_\_\_\_ and the \_\_\_\_\_ in the name of the district and by the teacher.

# Answers

1. **True or False:** Special meetings of the trustees may be called by the presiding officer or any two members of the trustees by giving each member a 24-hour written notice of the meeting. ***A 48-hour written notice must be given.***
2. **True or False:** A district superintendent or county high school principal may not engage in any work or activity that the trustees consider to be in conflict with the duties and employment as the district superintendent or county high school principal.
3. **True or False:** Upon receiving tenure, the employment of a teacher may not be terminated. ***A teacher may be terminated for good cause.***
4. Each contract of employment must be authorized by a proper resolution of the trustees and must be executed in duplicate by the **chairman of the board** and the **district clerk** in the name of the district and by the teacher.



# Risk Management



# Teachers' Powers, Duties & Privileges

- Abuse on School Premises
- Conviction and Fines

**Reference Materials:** MCA 20-4-XXX Teachers' Powers, Duties & Privileges

# Group Health & Life Insurance

- Purchase of Insurance Coverage
- Establishment of Self-Insurance Plan
- Cost of Coverage
- Internal Service Fund

**Reference Materials:** MCA 20-3-XXX Purchase of Insurance - Self Insurance Plan

# School District Trustees

- Suit for Damages Against Trustees
- Proper Administration and Use of All Money

**Reference Materials:** MCA 20-3-XXX Personal Immunity of Trustees

# Work Related Injuries

- Notice of Injury
- Wages & Temporary Total Disability Benefits
- Volunteer Coverage
- Return to Work After Injury

**Reference Materials:** MCA 39-71-XXX Workers Compensation

# Questions

1. **True or False:** The district clerk is responsible for the proper administration and use of all money of the district.
2. **True or False:** A district need not report a volunteer's slip and fall to their workers compensation carrier.
3. **True or False:** A parent, who hit a teacher at the school, if convicted, can be fined \$500.



# Answers

1. **True or False:** The district clerk is responsible for the proper administration and use of all money of the district. *The trustees of a district are responsible.*
2. **True or False:** A district need not report a volunteer's slip and fall to their workers compensation carrier. *Volunteer injuries should be reported.*
3. **True or False:** A parent, who hit a teacher at the school, if convicted, can be fined \$500.



# Records Management



# State Law for Destruction of School Records

- Upon the order of the board of trustees, a school officer may destroy records that have met the retention period, as contained in the local government records retention and disposition schedules, and, with written approval of the local government records destruction subcommittee provided for in 2-6-1202, any records not referenced in the retention and disposition schedule that are no longer needed by the office.
- Each student's permanent file, as defined by the board of public education, must be permanently kept in a secure location. Other student records must be maintained and destroyed as provided in subsection (1). Personnel files must be kept for 10 years after termination.

**Reference Materials:** 20-1-212. Destruction of records by school officer.

# Definitions

- **Public Information:**

- 2-6-1002 (11) MCA: Information prepared, owned, used, or retained by any public agency relating to the transaction of official business, regardless of form, except for confidential information that must be protected against public disclosure under applicable law.

- **Public Record:**

- 2-6-1002 (13) MCA: Public information that is:
  - fixed in any medium and is retrievable in usable form for future reference; and
  - designated for retention by the state records committee, judicial branch, legislative branch, or local government records committee.

- 20-1-212. Destruction of records by school officer.

**Reference Materials:** 2-6-1002 MCA; 20-1-212 MCA

# Permanent Records

- Permanent records can never be destroyed.
- Examples of Permanent Records:
  - Annual Budget Document
  - Annual TFS
  - Board Agenda Packets & Minutes
  - Board Policies

# Non-Permanent Records

- Non-Permanent Records have specific dates that they can be destroyed. These vary by type of record.
- Examples of non-permanent records:
  - Complaints
  - Non-permanent Correspondence
  - Legal Opinions

# Retention Periods

- Retention periods are minimums. You must keep the record copy for the length of time listed on the retention schedule.
- You are not required to dispose of records at the end of the minimum time outlined on a retention schedule.
- “Audit +” –The retention clock starts when your audit is delivered and accepted by the school district and/or presented to the board of trustees.

# Resources for Records Management

- Schedule 7, School District: [Local Record Forms and Retention Schedules – Montana Secretary of State – Corey Stapleton](#)
- Proper Disposal of Public Records -Marty Rehbein: [Proper Disposal of Public Records](#)
- Records and Information Management ToolKit: [RIM Toolkit – Montana Secretary of State – Corey Stapleton](#)
- Disposal Form: [Disposal Form – RM88](#)



# Questions:

1. **True or False:** The clerk has authority to destroy any record as long as they follow the retention schedule.
2. **True or False:** Non-permanent records that are over 30 years old can be thrown away.
3. **True or False:** Prior to disposal of records, you must complete the Request for Records Disposal.

# Answers:

1. **True or False:** The clerk has authority to destroy any record as long as they follow the retention schedule. ***Must have board approval and complete resolution that is published in the paper prior to destroying records.***
2. **True or False:** Non-permanent records that are over 30 years old can be thrown away. ***Must submit a form to the Secretary of State on records that are over 10 years old to alert entities like th MT historical State Archives who may want the documents.***
3. **True or False:** Prior to disposal of records, you must complete the Request for Records Disposal.



# Facilities Management



# Property

- Money collected from the rental of district owned property (example-teacher housing) deposited in Lease Rental Fund
  - Cash balance cannot exceed \$10,000 for Elementary District or \$20,000 for K-12 District
  - Excess cash must be transferred to the General Fund
- District may lease buildings or land
  - Lease may not exceed 15 years unless approved by electors but cannot to exceed 99 years
- Sale & Disposal
  - Money realized must be credited to the debt service fund, building fund, general fund or other appropriate fund deemed by trustees
- School Sites - Purchase
  - Property must be approved by voters before a contract for purchase is signed
  - Contiguous property does not require site approval election to purchase

# Contracts for Architects

- Contracts are required when project costs are greater than \$150,000
- Approval of architects plans the trustees meet as many times as necessary
  - At least 2 of these meetings shall be publicly noticed meetings
- Plans and specifications must be approved by the Department of Labor & Industry before construction can take place

# Contract Bidding

- Except in cases of unforeseen emergency, work done or purchase made must be by bid if the sum exceeds \$80,000
  - Performance Bonds must accompany the contracts for building or construction from a licensed surety company
- Bid Advertisements must be made once each week for 2 consecutive weeks and the second publication must be made not less than 5 days or more than 12 days consecutive of bids
- Contracts or bids are not required for services performed as follows:
  - Surveyor, Attorney, Professional Engineer, Registered Architect

# Questions

1. **True or False:** A District building may be built, enlarged or remodeled without any prior approval other than the trustees of the district.
2. **True or False:** Contract for architect services is required if costs exceed \$80,000.
3. **True or False:** Money received from the lease or rental agreements may be deposited in the lease or rental fund, general fund, debt service fund or any other appropriate fund.
4. **True or False:** The trustees shall insure all real and personal property of the district and the cost be included in the general fund budget of the district.

# Answers

1. **True or False:** A District building may be built, enlarged or remodeled without any prior approval other than the trustees of the district.
2. **True or False:** Contract for architect services is required if costs exceed \$80,000.
3. **True or False:** Money received from the lease or rental agreements may be deposited in the lease or rental fund, general fund, debt service fund or any other appropriate fund.
4. **True or False:** The trustees shall insure all real and personal property of the district and the cost be included in the general fund budget of the district.



# Resources for Facilities Management

MCA 20.6.6xx

MCA 20.9.2xx & 5xx



# Ethics



# Clerk & Business Manager Relationships

As the Business Manager or Clerk - you have different Roles & Relationships with the following groups:

- Community
- Board
- Administrators
- Employees
- Parents & Pupils
- Business

**Reference Materials:** Ethics Manual, MCA 2-2-1XX; Clerk & Superintendent Responsibilities checklist - MASBO website

# Clerk & Business Manager Duties

- Your duties/responsibilities can change depending on what duties you are doing.
  - Clerk vs Business Manager
  - Chain of Command
  - Meetings & Minutes

**Reference Materials:** Ethics Manual; MCA 20-3-3XX; MELR 1000; MTSBA Model Job Descriptions

# Fiscal Responsibilities

- Contracts
- Budgets
- Records Management and Retention
- Elections - Levy & Bond

**Reference Materials:** Ethics Manual; MCA 2-9-2XX; MELR 4000, 7000 and 8000

# Staff, Pupil and Public Relations

- Records Management
- Personnel Files
- Student Files

**Reference Materials:** Ethics Manual; MELR 4000, 5700, 9000

# Questions:

1. **True or False:** The Business Manager/Clerk answers only to the Superintendent.
  
2. **Which of the following duties is allowable:**
  - a. Make a down payment on a new MCI with the verbal approval of the Board Chair.
  - b. Purchase uniforms for the basketball team that were budgeted.
  - c. Sign the contract with Pepsi for concessions for the upcoming year.
  - d. Take the gift certificate a vendor gave you and buy Spirit Gear for yourself to wear.

# Answers:

1. **True or False:** The Business Manager/Clerk answers only to the Superintendent. ***The Clerk/Business Manager is directly accountable to the Board of Trustees while at the same time serving as financial consultant to the Superintendent.***
  
2. **Which of the following duties is allowable:**
  - a. Make a down payment on a new MCI with the verbal approval of the Board Chair.
  - b. Purchase uniforms for the basketball team that were budgeted.**
  - c. Sign the contract with Pepsi for concessions for the upcoming year.
  - d. Take the gift certificate a vendor gave you and buy Spirit Gear for yourself to wear.





# Bonds & Bond Elections



# Bond Types

- Amortization Bonds
- General Obligation Bonds
- Oil & Natural Gas Revenue Bonds
- Serial Bonds

**Reference Materials:** MCA 20-9-408.

# General Obligation Bonds

- **20-9-408 MCA:** “General obligation bonds” means bonds that pledge the full faith and credit and the taxing power of a school district.
- Assumptions:
  - District working with fiscal agent, Bond Counsel
  - Project Design contracts
  - Ballot election passed

**Reference Materials:** MCA 20-9-4XX General Obligation Bonds

# Bond Terms

- Limitation Of Term And Interest -- Timing For Redemption
- **20-9-410 MCA:** Limitation of term and interest -- timing for redemption. (1) School district bonds may not be issued for a term longer than 30 years, except that bonds issued to refund or redeem outstanding bonds may not be issued for a term longer than 10 years unless the unexpired term of the bonds to be refunded or redeemed is in excess of 10 years, in which case the refunding or redeeming bonds may be issued for the unexpired term

# Budgeting for Bonded Debt

- The annual budgeted bond records will show for each year of outstanding scheduled debt.
- Payments are made from tax levies collected and other budgeted nonlevy revenues – interest, Oil and Gas, Coal Gross Proceeds, “other Revenue”
- State subsidies may be available for eligible districts in May, subject to appropriations from the legislature

# Interest Payment

- The fiscal bond agent can address this need in the closing documents
  - Most school bonds are sold at a premium.
  - This means that we voted and issued \$10M in bonds. We received proceeds of \$11M due to the market conditions. Fiscal Agents can specify the first interest payment can be paid from premium proceeds and grant an exception to have the treasurer deposit the exact amount into the debt service fund 50.
- County Treasurers by law (MCA 20-9-440) must make all debt payments when due regardless of district funds available at that time.
  - If the interest payment was made by the county, the district will include this reimbursement to the county in the first year budgeted.

# Bond Elections

- If a district bond election is held by poll election at a regular school election, or a special election called by the trustees, the bond issue is subject to the following:
  - 40% or more of the qualified electors cast a ballot in the election – the proposition must be approved by a majority of the votes cast on the issue; or
  - More than 30%, but less than 40% of the qualified electors cast a ballot in the election – the proposition must be approved by 60% or more of the votes cast on the issue; or
  - 30% or less of the qualified electors cast a ballot in the election – the proposition fails.
- If the school district bond election is held in conjunction with an election that is conducted by mail ballot, or in conjunction with a general or primary election, the determination of the approval or rejection of the bond issue is made by a majority of the votes cast on the issue. **20-9-428, MCA**

# Questions

1. **True or False:** The amount a district may request in a bond issue is limited by law. Contact the OPI for assistance in determining the amount that may be requested. The term of a bond is limited to 15 years.
2. **True or False:** When calling for a bond election, there are additional requirements that must be included in the trustee resolution.
3. **True or False:** If the school district bond election is held in conjunction with an election that is conducted by mail ballot, or in conjunction with a general or primary election, the determination of the approval or rejection of the bond issue is made by a majority of the votes cast on the issue.



# Answers

1. **True or False:** The amount a district may request in a bond issue is limited by law. Contact the OPI for assistance in determining the amount that may be requested. The term of a bond is limited to 15 years. ***The term of bond is limited to 30 years.***
2. **True or False:** When calling for a bond election, there are additional requirements that must be included in the trustee resolution. ***Type of bond, exact amount of bond, maximum number of years, estimated amount of the state advance for school facilities, essential facts about petition.***
3. **True or False:** If the school district bond election is held in conjunction with an election that is conducted by mail ballot, or in conjunction with a general or primary election, the determination of the approval or rejection of the bond issue is made by a majority of the votes cast on the issue. ***20- 9-428, MCA.***

