



## MANSON SCHOOL DISTRICT BOARD POLICY

### **POLICY TYPE: EXECUTIVE LIMITATIONS**

### **POLICY TITLE: FINANCIAL CONDITION AND ACTIVITIES**

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With respect to the actual, ongoing financial condition and activities, the Superintendent will not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.

Further, without limiting the scope of the foregoing by this enumeration, the Superintendent will:

#### Expenditure

1. Not expend more funds than have been approved in the annual budget;
2. Not make a purchase or commitment of greater than current state bid law minimum amount without Board approval.

#### Payables and Receivables

3. Settle payroll and debts in a timely manner;
4. File tax payments or other government ordered payments or filings on time and accurately filed;
5. Pursue receivables after a reasonable grace period;

#### Debt

6. Not incur debt in an amount greater than can be repaid by certain, otherwise unencumbered revenues within the current fiscal year, except long-term lease/purchase agreements and service contracts that may extend up to five years;

#### Reserves

7. Not use any Board established reserve funds other than as directed by the Board or provided in the budget;
8. Maintain a fund balance of at least 8% of the district's annual operational expenditures by the end of the 2025-2026 fiscal year. The goal will be to maintain a fund balance to cover one month's operational expenditures.

#### Internal Controls

9. Not conduct inter-fund activities in amounts that would place originating fund in a negative cash position and, if applicable, greater than can be repaid by the end of the fiscal year;

10. Operate with internal controls that prevent tardy, inaccurate, or misleading financial reporting.

Real Property

11. Obtain approval of the board of directors prior to Acquiring, encumbering or disposing of real property.