

# POLICY

## BOARD OF EDUCATION OF MONTGOMERY COUNTY

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**Related Entries:** DAA-RA, DBA, DDA-RA

**Responsible Office:** Chief Operating Officer

### **Fiscal Responsibility and Control**

#### **A. PURPOSE**

To ensure that adequate fiscal responsibility and control are maintained for funds entrusted to Montgomery County Public Schools

#### **B. ISSUE**

It is important to balance the need to ensure that adequate fiscal responsibility and control are maintained for funds entrusted to Montgomery County Public Schools with the need for effective and efficient operating procedures.

#### **C. POSITION**

1. The annual budgetary appropriations (operating and capital) and special grants are the basis for the operation of the school system.
2. Financial control systems must conform to the laws and regulations of the state of Maryland and to applicable provisions of the charter and laws of Montgomery County.
3. The superintendent is responsible for preventing the overencumbrance of the number of positions and the appropriation as contained in the budgets or supported programs. The superintendent is responsible for reporting regularly the financial position of the school system to the Board of Education.

#### **D. DESIRED OUTCOMES**

A process that ensures adequate fiscal responsibility and control, and is efficient and effective.

**E. IMPLEMENTATION STRATEGIES**

1. Nonlocal supplemental funds available subsequent to the adoption of the annual appropriation by the County Council may be expended after notification to and approval by the Board and the County Council as to the source, amounts, and manner in which the funds will be expended with notification to the County Executive.
2. Operating budget transfers of appropriation authority between categories as contained in the annual appropriation require County Council approval and notification to the County Executive.
3. Operating budget transfers that increase the overall number of authorized permanent positions or that transfer funds within a category in excess of \$100,000 shall be approved by the Board, and that transfers not in excess of \$100,000 may be approved by the superintendent.
4. Monthly reports of transfers shall be submitted to the Board of Education. Monthly reports of transfers will be submitted to the County Council as required by state law. Reports will be made available upon request.
5. All personnel employed on a permanent basis for full-time or part-time shall be recommended by the superintendent to the Board for approval; termination of part-time or full-time permanent employees shall be recommended by the superintendent to the Board for approval; the superintendent shall have authority to employ or terminate, subject to approval of the Board at its next meeting at which a personnel report is considered; that an appeal from the Board's decision may be made to the State Board of Education.
6. Capital budget transfers between locally funded projects can only be made through the unliquidated surplus account and shall be approved by the Board and the County Council while transfers between state funded projects shall be approved by the Board, the County Council, and the State School Construction Interagency Committee with notification of the County Executive of all transfers irrespective of the source of funds.

**F. REVIEW AND REPORTING**

This policy will be reviewed on an ongoing basis in accordance with the BOE policy review process.

*Policy History:* Resolution No. 441-72, June 26, 1972; Amended by Resolution No. 542-02, December 10, 2002.