

Morning Star PAC

Annual Program Expenditure Policy

Effective September 2017

This policy sets forth the philosophy, guidelines and procedures for all annual program expenditures made by the Morning Star Parent Advisory Council (“PAC”).

Expenditure Philosophy & Guidelines

Morning Star PAC funds will be used to support the students and staff of Morning Star School. The following are PAC’s funding priorities:

1. Expenditures should positively impact the educational, physical or mental well-being of the students of at least an entire grade or the entire student body at Morning Star school. Expenditures will not be spent to benefit a student population of less than an entire class.
2. Expenditures will be based on the wants and needs of the students, staff, and parents, of Morning Star School, and approved by the Morning Star Principal.
3. Expenditures should be limited to items that are not provided by the Bozeman School District.
4. Financial obligations will not be made without sufficient funds to cover commitments.
5. PAC funds may at times be used to support other non-profit organizations or initiatives that directly support students in Bozeman School District, with a preference for those that support students at Morning Star. Traditional examples of such organizations include the Bozeman Schools Foundation, Lincolns for Levies, Thanks 4 Giving Clothes Donation program, etc. Given its mission to enrich the educational opportunities of students at Morning Star, PAC will not use its funds to directly support other non-profit organizations. However, any class, grade, or staff member may organize an independent effort to support a cause outside of Morning Star as the administration permits.

Financial Advisory Committee (FAC)

The FAC will be jointly led by one PAC Co-President and the PAC Treasurer, and include an odd number of at least three (3) other non-officer PAC members. Members for this committee will be solicited according to the procedure contained in the Bylaws, and will serve terms as described in said Bylaws. Morning Star’s Principal will be an active participant in all FAC discussions and will provide input and guidance for issues under consideration to ensure that all recommendations are feasible for the staff, students and school before they are brought to the Board of Directors and/or the members for a vote.

The tasks of the committee include:

1. reviewing the preliminary annual Budget in May or June, and making a recommendation to be presented to, and voted on by, the Board of Directors in those same months. Voting on a preliminary Budget in May or June will provide formal authorization for the PAC officers to spend allocated funds for programs over the summer and at the beginning of the school year before the approval of the final annual Budget in August or September;
2. reviewing and approving a proposed budget exception if the individual budget exception exceeds \$1,000 and making a recommendation to be presented to, and voted on by, the Board of Directors;
3. serving as PAC budgetary ambassadors who communicate PAC revenues and expenditures to members throughout the year, as needed. To ensure accuracy, all information disseminated to members should come directly from the Treasurer's Report and any documents shared at PAC meetings; and
4. evaluating the feasibility and facilitating the initiation and implementation of a Capital Campaign for Morning Star.

See Annual Program Expenditure Guidelines, the Enrichment Expenditure Guidelines, and the Capital Campaign Expenditure Guideline, attached hereto, for additional details.

Expenditure Types

PAC expenditures will be budgeted in two categories –

1. **Annual Program Expenditures**
2. **Capital Project Expenditures**

Guidelines and policies for these expenditures are included below.

Program Expenditures

Program expenditures are those expenditures identified by the PAC officers as recurring programs that will be supported by the PAC on an annual basis. These programs will be identified annually and assigned a line-item in the budget.

Program areas include:

1. Student Enrichment Programs
 - Individual grade and All-school programs

- Fieldtrip transportation
- 2. Teacher Support Programs
 - Classroom Enhancement
 - Staff Appreciation
- 3. School Programs
 - Programmatic support provided to Health Enhancement, Music, Library, art initiatives, foreign language initiatives, and other programs supported by the parent, staff and student community.
 - Support of school activities, such as Book Fairs, Carnival, End of the Year BBQ and other district-wide programs, i.e. Thanks 4 Giving Clothes Drive.
 - Recurring support of landscape, ice rink, running track, telephone directory, testing snacks, etc.
- 4. Operating Expenses
 - bank charges, supplies, postage, printing and meeting costs

Budget Compliance: Individual program expenses that do not exceed the line item Budget by more than \$250 are considered to be in budget compliance and may be paid by the PAC Treasurer as incurred.

Budget Exceptions: Expenses to programs already included in PAC's Budget that *exceed the line item budget by \$250* up to \$1,000 must be approved by the Board of Directors as a budget exception. The "Budget Exception Approval Form" is provided as a tool for documenting approval of these exceptions. If the Board approves the budget exception by a majority vote, then the PAC Treasurer may pay the expenses as incurred.

Budget exceptions that exceed \$1,000 must first be reviewed and approved by the FAC with a two-thirds vote of its members. If the FAC recommends the exception and the amount is less than \$5,000, then the exception must be submitted to the Board of Directors for final approval. If the FAC recommends the exception and the amount is \$5,000 or more, then the exception must be submitted to the Board of Directors for approval, and if approved, to the membership for final approval.

Special Project Expenditures:

Special projects include unique opportunities that may arise within the school year but are not included in the Budget. These non-recurring expenditures may include, but are not limited to,

- equipment for use inside or outside the school or
- specialized programs for students and/or teachers.

These Special projects will be evaluated and considered for approval as a budget exception as

described above.

Persons or groups requesting non-recurring special project funds will be required to fill out a **Special Project Expenditure Form**, which is attached to this policy. This form will include a detailed description of the project, sponsoring person or group, detailed cost estimates (including competitive bids if appropriate) and a project timeline. All costs for the project should be estimated including delivery, setup, installation, and maintenance if applicable.

The **Special Project Expenditure Form** will be submitted to the FAC for review and preliminary approval. This approval will be based on the requesting parties' ability to satisfy all of the **Expenditure Philosophy & Guidelines** outlined at the beginning of this Expenditure Policy.

If the FAC recommends proceeding, then the person or group requesting the Special Project Expenditures will present the project to the Board of Directors and/or the members for approval, as outlined above based on the dollar amount of the expenditure.