

**Denver Public Schools' Board of Education  
Board Budget and Spending Policy (the "Policy")**

**Annual Board Budget**

The Board of Education (the "Board") of the Denver Public School District (the "District") shall have an annual budget to provide the Board members the resources necessary to fulfill their responsibilities and for the Board to performing its duties as the governing body of the District.

The Board President shall annually submit a draft of the Board's budget to the entire Board prior to the Board's first work session in May. Such draft is to be presented in a standard format easily understood by the common layperson and is to allow for comparison among the: prior fiscal year's budget and actuals; current fiscal year's budget and estimated actuals; and the amounts budgeted for the ensuing fiscal year. The ensuing fiscal year's budget is to estimate amounts related to all Board operations, including but not limited to staff dedicated to support the Board, Board meeting expenses, estimated costs of an annual independent audit of the District's financial reports and accounting practices, other consultant support, liability insurance, errors and omissions insurance, individual/Board subscriptions and memberships (from and in education-related institutions) and an annual allocations for individual Board members.

Changes to the Board's budget after Board approval requires a favorable vote of the majority of the Board.

**Individual Board Member Spending**

Board members shall receive no compensation for their services. Each Board member is a representative of the District, and as such, has a responsibility to ensure to the public that the Board is competent to oversee the finances of Denver Public Schools. All expenditures should be made through the lens of ensuring the public's confidence in the District. Each Board member is responsible for managing their own budget and ensuring expenses remain within the individual member's budget. Any late fee incurred by the District attributable to a Board member's failure to promptly approve their billing statement is to be paid by the responsible Board member.

Each Board of Education member is annually allocated an amount to support his or her work as a Board member. Provided any expenditure of such monies is consistent with this Policy, what such dollars are actually spent upon is left the discretion of an individual Board member. All Board members will receive the same allocation; however, as approved by the majority of the Board the Board President may have a higher allocation in order to meet his or her duties.

Board members will have the use of a District-issued credit card. Board members may also request reimbursement for out-of-pocket expenses. All expenditures must be allowable under this Policy. If expenditures are made which are not considered allowable under this Policy, the Board member is expected to reimburse the District in-full plus any interest or fees related to such unallowable expense. Prior to incurring any expense, it is an individual Board member's responsibility to seek clarification from the Board President to verify whether an expense is allowable .

The annual allocation follows the Board seat not the Board member. A Board member's budget is therefore prorated to the length of time he or she holds a seat for a given fiscal year. In an election year impacting a Board member's seat the budgeted amount is pro-rated from July 1 through the date of the first Board meeting in November.

### **Board Member Spending Overages**

If an expense is considered allowable but incurring such costs would push the Board member over the member's allotted budget, prior to incurring such expense such member shall seek approval of the Board's President and Treasurer to amend their budget allocation. In the event an overage is discovered after-the-fact, the Board member is to reimburse the District for any such overage within 90 days of receiving such notice.

### **Exclusions for Individual Board Member Annual Allocation**

Certain costs related to an individual Board member are separate from his or her annual allocation and are to be budgeted for separately and may not be used for any other purpose or amount than that which was budgeted; meaning, the budget will be established to cover known costs or reasonable estimates and is exclusively reserved for the purpose such dollars were appropriated. Examples include:

- Cellular voice and data service to conduct District business.
- Individual/Board subscriptions and memberships, from and in education-related institutions.
- Childcare necessary for attendance at those Board meetings all members are reasonably expected to attend. Not included is childcare for optional meetings individual Board members may decide to attend.

### **Allowable Expenses**

The expenses include:

- Routine expenditures *defined as expenses related to DPS business*, including: mileage, meals, telephone calls, conference-related travel (hotel, meals, registrations, and transportation), responses to constituent mail, and other documented, related costs.
- Non-routine and/or non-budgeted expenditures which are pre-approved by the President of the Board and uniformly allowed to all Board members.

### **Non-Allowable Expenses**

- Expenses related to political activities including campaigning for oneself, for a member or candidate for school board or any other elected office, against a school board candidate or any other elected office.
- Expenses related to political events or events sponsored by political organizations unless there is some professional development purpose (i.e. a conference which has sponsorship by a political organization).
  - Board members should clarify with the Board President prior to attending any such conference.
  - The Board President is to provide a summative statement to the entire Board to ensure complete transparency and mitigate for any concerns of a potential conflict of interest.
- Significant other and guest costs will not be reimbursed by the District unless the significant other or guests are required to be in attendance as a matter of protocol.

### **Documentation**

Board members shall submit receipts and other necessary documents in a manner consistent with the District's policies governing such matters to substantiate all expenditures to be paid from District funds.

The Board Treasurer will sign a copy of each member's monthly credit card statement and verify that supporting documentation is included for all expenses. In the event the Board Treasurer is not available, the Board President will either sign-off or designate another Board member. Repeated failure to

produce receipts may result in: the member's credit card being canceled; otherwise allowable expenses not being reimbursed; or both.

### **Reporting**

Board members shall receive quarterly statement showing the balance against their annual spending allocation. Board members should continuously monitor all of their expenses throughout the fiscal year. The Board's Liaison will send a notice to Board members upon request but in no event no less frequently than on a quarterly basis review their expenses. Any challenges by a Board member about a specific expense must be taken to the Board Treasurer for the Treasurer's review within 15 days of the cost being reported.

### **Public School Financial Transparency Act and Colorado Open Records Act Requests**

Supporting the letter and spirit of the Public School Financial Transparency Act (Article 44 of Title 32, C.R.S., Part 3) the Board notes that:

- Members of the public as taxpayers and parents have a strong interest in how public monies are expended in the pursuit of a quality education for all;
- Educators and administrators as innovators and stewards of these public monies are eager to learn from one another and evaluate best practices that may result in efficiencies and potential cost savings; and
- Individual districts are to post financial information on-line for free public access.

Further, Board members acknowledge that the District's Accounts Payable Check Registers and Credit, Debit and Purchase Card Statements may be accessed through the District's website.

Board members should anticipate annual CORA requests on Board and Board member spending. In the event the District receives such requests, Board members shall have an opportunity in the three-day window to a line-by-line review of his or her expenses. The CORA performance officer will notify Board members of the request. Board members are responsible for scheduling this time with District staff prior to the end of the three-day window.

### **Lack of Compliance with the Policy**

If a Board member is does not comply with this Policy, the Board President may cancel the Board member's credit card and suspend reimbursement of future expenses. Before that time, the Board member will have the opportunity to remedy the noncompliance.

### **Policy Presentation and Adoption**

This Policy was initially presented to the Finance and Audit Committee on August 30, 2011, and approved by the Board of Education on [October 20, 2011] and replaces any previous policies of the District.