

1 **Browning Public Schools**

2
3 Policy #

4 Policy Name: *Multidistrict Agreement*

5 *Regulation:*

6
7 This Multidistrict Agreement (hereinafter "Agreement") is entered into this ____ day of _____
8 _____, 20____ by and between identify participating school districts (collectively hereinafter
9 "Participating District" or "Participating Districts").

10
11 WHEREAS, pursuant to section 20-3-363, MCA, the boards of trustees of any two or
12 more school districts may enter into an Multidistrict Agreement to create a multidistrict cooperative to
13 perform any services, activities, and undertakings of the Participating Districts and to provide for the
14 joint funding and operation and maintenance of all Participating Districts upon the terms and conditions
15 as may be mutually agreed to by the districts subject to the conditions of section 20-3-363, MCA;

16
17 WHEREAS, an Agreement made pursuant to section 20-3-363, MCA, must be approved
18 by the board of trustees of all Participating Districts;

19
20 WHEREAS, all expenditures in support of the Multidistrict Agreement may be made
21 from the interlocal cooperative fund in accordance with sections 20-9-703 and 20-9-704, MCA. Each
22 Participating District of the multidistrict cooperative may transfer funds into the interlocal cooperative
23 fund from the general fund, any budgeted fund, or any non-budgeted fund of the Participating Districts,
24 except as limited/prohibited law as follows:

- 25
26 1. transfers to the interlocal cooperative fund from each Participating District's general fund are
27 limited to an amount not to exceed the direct state aid in support of the respective school district's
28 general fund;
29 2. transfers from the retirement fund, the debt service fund or the compensated absence liability
30 fund are prohibited; and
31 3. transfers may not be made with funds restricted by federal law unless such transfer is in
32 compliance with any restrictions or conditions imposed by federal law.
33

34 WHEREAS, in accordance with section 20-9-703, MCA _____ shall
35 be designated as the prime agency. All other Participating Districts shall be designated as cooperating
36 agencies;

37
38 WHEREAS, expenditures from the interlocal cooperative fund are limited to those
39 expenditures that are permitted by law and that are within the final budget for the budgeted fund from
40 which the transfer was made.

41
42 NOW THEREFORE, the districts hereby agree as follows:

- 43
44 1. To create a multidistrict cooperative for the purpose of **incorporate purpose(s) here:**
45
46 2. To create an interlocal cooperative fund for the purpose of transferring funds from the
47 Participating Districts for the purpose(s) stated herein;
48
49 3. The **identify the district designated as the prime agency** is designated as the prime agency

1 and as such shall establish a non-budgeted interlocal cooperative fund for the purpose of the
2 financial administration of this Multidistrict Agreement.

3
4 4. All other Participating Districts are designated as the cooperating agencies and in accordance
5 with section 20-9-704, shall transfer its financial support under this Agreement to the prime agency
6 by district warrant.

7
8 5. Any and all amounts transferred into the interlocal cooperative fund by any Participating District
9 may come from: (a) the respective district's general fund in an amount not to exceed the direct state
10 aid in support of the respective school district's general fund; or (b) any other budgeted fund of a
11 participating district, except that funds cannot be transferred from the retirement fund or the debt
12 service fund; or (c) any non-budgeted fund of a Participating District, except that funds cannot be
13 transferred from the compensated absence liability fund.

14
15 6. Transfers may not be made with funds restricted by federal law unless the transfer is in compliant
16 with any restrictions or conditions imposed by federal law.

17
18 7. Any and all amounts transferred into the interlocal cooperative fund by each Participating District
19 must be for the purpose stated herein as mutually agreed upon between the Participating Districts in
20 accordance with the terms of this Agreement.

21
22 8. The term of this Agreement shall be from _____ to _____. *This
23 Agreement may be extended by mutual approval of each Participating District. However, the term of
24 the Agreement may not extend beyond 3 years. Any remaining fund balance in the interlocal
25 cooperative fund at year end may be carried over to the subsequent fiscal year.

26
27 9. The terms of this Agreement may be changed upon mutual written approval of the Participating
28 Districts.

29
30 10. Each Participating District shall agree how the funds shall be disbursed during the current fiscal
31 year by establishing a budget or guidelines. The prime agency shall adhere to this Agreement. The
32 Participating Districts will be provided with a monthly accounting summary of expenditures from the
33 prime agency.

34
35 11. The multidistrict cooperative may be dissolved upon mutual consent of all Participating Districts
36 in writing upon _____ days written notice to all Participating Districts. In addition, any
37 Participating District may terminate its participation in the multi-district cooperative upon ___ days
38 written notice to all Participating Districts. In the event that the multidistrict cooperative is dissolved
39 in its entirety or any Participating District terminates its participation in the multidistrict cooperative,
40 the provisions of Paragraph 12 below shall apply.

41
42 12. Upon termination of this Agreement by one or all Participating Districts, the funds of the district
43 or districts that no longer desire to participate in this multidistrict cooperative shall be returned to
44 such District(s) on a pro rata share of the current funds held by the prime agency after all outstanding
45 financial obligations have been paid with said funds to revert back to the original fund(s) from which
46 the money was transferred as a result of said District(s) participation in the multidistrict cooperative.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

13. This Agreement shall be interpreted according to and governed by the laws of the State of Montana.

As agreed on this _____ day of _____, 20____.

Attest:

**Note: The term of the agreement may be for a period of up to 3 years.*