

## **CHAPTER 15.1-07 SCHOOL DISTRICTS**

### **15.1-07-01. School district - Corporate powers.**

1. Each school district in this state is a public school district governed by the provisions of this title. Each school district is a body corporate. Each school district may sue and be sued, contract, and convey any real and personal property that comes into its possession.
2. The board of education of the city of Fargo is a body corporate. It has the power to sue and be sued and to contract with others. It possesses all the powers usual and incidental to a body corporate.

### **15.1-07-02. School district - Name change.**

1. In order for the name of a school district to be changed, the question must be placed before and approved by a majority of the district's qualified voters at a district election. The school board may place the question on the ballot by resolution and shall place the question on the ballot if it receives a petition signed by qualified electors of the district equal in number to at least one-third of those who voted at the most recent annual school district election.
2. The proposed name change must include the phrase "school district" or "public school district" and may include no more than two additional words.
3. If a majority of the district's qualified voters approve the name change, the district must be renamed accordingly.
4. The business manager of the district shall provide notification of the new name to the county auditor, the county superintendent of schools, and the superintendent of public instruction.

### **15.1-07-03. District's limit of indebtedness - Resolution.**

1. The board of a school district may by resolution place on the ballot of any regular or special election the question of increasing the district's limit of indebtedness, beyond that fixed by the constitution, by five percent of the assessed valuation of all taxable property in the district.
2. The board of a school district shall place on the ballot of the next regular or special election the question of increasing the district's limit of indebtedness, beyond that fixed by the constitution, by five percent of the assessed valuation of all taxable property in the district, if the board receives a petition requesting the increase and signed by qualified electors of the district equal in number to at least one-third of those who voted at the most recent annual school district election.

### **15.1-07-04. District's limit of indebtedness - Election - Notice.**

If an election is to include a question regarding an increase in the school district's limit of indebtedness, the board of the school district shall ensure that the question is clearly stated in the notice of election. If the board calls a special election to vote on the question of increasing the district's limit of indebtedness, the board shall publish notice of the election in the official newspaper of the district, at least fourteen days before the date of the election.

### **15.1-07-05. District's limit of indebtedness - Ballot.**

In an election to increase a school district's limit of indebtedness, the ballots must state the question in clear and concise language.

### **15.1-07-06. District's limit of indebtedness - Increase.**

If a majority of the votes cast are in favor of increasing the school district's limit of indebtedness, the limit is raised to ten percent of the assessed valuation of all taxable property in the district.

**15.1-07-07. District's limit of indebtedness - Increase - Notification of county auditor.**

If a majority of the votes cast are in favor of increasing the school district's limit of indebtedness, the president of the school board and the school district business manager shall inform the county auditor, in writing, of the election results and of the fact that the district's limit of indebtedness has been increased to ten percent of the assessed valuation of all taxable property in the district.

**15.1-07-08. School district funds - Transfers.**

At the time of preparing the annual budget, a school board, by resolution, may transfer from the general fund of the district the amount of money, in whole or in part, by which the balance in the general fund exceeds the amount that would be required for the general reserve fund in the ensuing fiscal year, into any sinking funds of the district established and held for the payment of outstanding bonds.

**15.1-07-09. Sinking fund - Transfers - Increases.**

If a school board transfers money into a sinking fund, the board may not consider the money to be cash on hand when computing the budget for the ensuing fiscal year. A school board may not through transfers increase a sinking fund to the extent that the sinking fund is greater than the amount needed to pay the bond issue in full.

**15.1-07-10. Activities fund.**

The board of a school district shall establish an activities fund for the support of school-related extracurricular activities. The school district business manager shall deposit all receipts from extracurricular activities in the activities fund. The business manager shall submit to the school board a monthly report of receipts, expenditures, and balances in the activities fund.

**15.1-07-11. Incidental revolving fund.**

The board of a school district may establish a revolving fund from which to pay incidental expenses. The board shall establish the amount to be retained in the incidental fund and must draw the amount from the general fund of the district. The school district superintendent or another school administrator designated to draw checks on the fund shall submit a monthly report to the school board listing the checks drawn, the payee, and the purpose for which each check was drawn.

**15.1-07-12. Negotiable instruments - Disbursement of moneys by business manager.**

1. a. The board of a school district may adopt policies governing the disbursement of school district moneys by the business manager.
- b. The policies adopted under subdivision a may include:
  - (1) The authorization, creation, and approval of negotiable instruments;
  - (2) The use of credit or debit cards;
  - (3) The payment of invoices;
  - (4) The use of petty cash;
  - (5) The use of electronic payments; and
  - (6) The use of facsimile signatures.
- c. The policies adopted under subdivision a must include internal controls to safeguard school district moneys.
2. If the board of a school district has not adopted policies to govern the disbursement of school district moneys by the business manager, the business manager may disburse moneys only by issuance of a negotiable instrument upon presentation of a bill or invoice, the payment of which has been authorized by the president of the school board, and only if there are sufficient moneys available for the disbursement. Upon issuing a negotiable instrument, the business manager shall make a record of the instrument.

**15.1-07-13. Negotiable instruments - Cancellation - Description in minutes.**

The board of a school district, at a regular meeting, may cancel all negotiable instruments that have remained unpaid for one year or more. Before canceling a negotiable instrument, the board shall enter in its minutes a brief description of the instrument, including the name of the payee, and the number, date, and amount of each instrument to be canceled. If any party entitled to payment appears and shows cause for the delay in presenting the instrument for payment, the board may issue a new instrument in the amount to which the party is entitled, unless the board is barred from so doing by the statute of limitations.

**15.1-07-14. Qualified elector.**

1. An individual who is a qualified elector of this state may:
  - a. Vote to elect board members for the school district in which the individual resides.
  - b. Serve as a board member for the school district in which the individual resides.
  - c. Serve as a judge or clerk of election for the school district in which the individual resides.
  - d. Serve as the business manager of a school district.
2. For the purposes of elections held under this chapter, an individual residing on a military installation is deemed to be a resident of a school district if the school district admits students from the military installation pursuant to a contract and receives impact aid pursuant to Public Law No. 81-874 [64 Stat. 1100; 20 U.S.C. 236 et seq.], as amended.

**15.1-07-15. School district election - Violation - Penalty.**

An individual who willfully violates the provisions of this title in relation to elections is guilty of a class A misdemeanor.

**15.1-07-16. New district - Enumeration.**

The board of a school district organized after the annual enumeration has been taken shall proceed immediately to take the enumeration, as provided by law, and after receipt of the enumeration by the superintendent of public instruction, the newly organized district shall receive its share of apportioned funds.

**15.1-07-17. School district contracts - Conflict of interest - Penalty.**

1. A school board member or other school officer who has a conflict of interest in any contract requiring the expenditure of school funds shall disclose the conflict to the board and may not participate in any discussions or votes regarding that contract without the consent of all other board members.
2. For purposes of this section, a conflict of interest means the personal, professional, or pecuniary interest of an individual, the individual's spouse or relative, or the individual's business or professional associate.
3. Any person who violates this section is guilty of a class A misdemeanor.

**15.1-07-18. Offer of reward - Purchase of school supplies - Penalty.**

It is a class A misdemeanor for any person to give or offer to a county superintendent of schools, a school board member, or a school district employee a commission, fee, or other reward for the purchase by the district of any textbooks, furniture, or school supplies.

**15.1-07-19. Reward for purchase of school supplies - Penalty.**

It is a class B misdemeanor for a county superintendent of schools, a school board member, or a school district employee to accept a commission, fee, or other reward for the purchase by the district of any textbooks, furniture, or school supplies.

**15.1-07-20. School vehicle driver - Requirements.**

1. a. Except as otherwise provided in this subsection, if an individual transports students or other passengers in a school vehicle for which a commercial driver's license is not required, the individual must:
  - (1) Hold a North Dakota driver's license;
  - (2) Be free from communicable diseases;
  - (3) Be in good physical health and have normal use of both hands, both feet, both eyes, and both ears;
  - (4) Be of sound mental health;
  - (5) Pass any drug and alcohol screening tests required by the school board; and
  - (6) Be at least twenty-one years of age, unless the board of a school district determines that an individual not meeting this requirement can safely and adequately perform the required duties.
- b. If the vehicle being used to transport students or other passengers under this subsection is a school vehicle for which a commercial driver's license is not required, but which is designed to seat ten to fifteen passengers, the individual must:
  - (1) Hold a North Dakota driver's license;
  - (2) Meet the physical and medical requirements established for commercial vehicle drivers;
  - (3) Complete any annual training required by the superintendent of public instruction; and
  - (4) Be at least twenty-one years of age, unless the board of a school district determines that an individual not meeting this requirement can safely and adequately perform the required duties.
2. The board of a school district may request, at any time, that a health care professional designated by the board examine an individual to determine if the individual meets the physical and medical requirements of subsection 1. Any examination costs that remain after application of the individual's insurance coverage are the responsibility of the board.

**15.1-07-21. School district business manager - Duties.**

The business manager of a school district shall:

1. Keep a true and accurate record of all school board proceedings.
2. Hold all books and records of the district and deliver them to the business manager's successor in office.
3. Prepare and submit an annual report to the board and to the county superintendent of schools.
4. Authorize the preparation of all negotiable instruments as directed by the board.
5. Perform all duties required by law.
6. Perform duties required by the board.
7. Keep true and accurate district financial records.
8. Prepare and submit a school district financial report to the board quarterly or in the case of a business manager for a district having only one-room or two-room schools, to submit the report at the request of the board.
9. Produce all district financial records when directed to do so by the board.
10. Maintain custody of all district moneys coming into the business manager's hands.
11. Pay out district moneys under the business manager's control as directed by the board.
12. Receive and maintain custody of all moneys to which the district or the board is entitled.

**15.1-07-22. School district business manager - Affirmation or oath of office.**

Repealed by S.L. 2001, ch. 161, § 37.

**15.1-07-23. School district business manager - Bond.**

Any person serving as a school district business manager shall furnish to the school board a bond in an amount to be fixed by the school board and equal to at least twenty-five percent of the maximum amount of money subject to the business manager's control at any one time. The bond must be conditioned for the faithful discharge of the business manager's duties, including the maintenance of accurate financial records and the safekeeping and deliverance of all school district property and funds that come into the business manager's control.

**15.1-07-24. School district business manager - Funds - Accounting.**

Unless otherwise provided by law, the business manager of a school district is responsible for the safekeeping of all school district funds. The business manager shall keep a general account of the district's receipts and expenditures and itemized accounts for each class of receipts and expenditures, unless otherwise directed by the superintendent of public instruction.

**15.1-07-25. School district records - Open - Exception.**

1. Except as otherwise provided by law, all records and documents of a school district are open to examination by any person. These records and documents, or copies certified by the business manager, are prima facie evidence of the facts set forth in the records and documents.
2. If a complaint is filed concerning a school district employee and an administrative investigation is conducted, any record or document generated as part of the administrative investigation is confidential and not subject to the requirements of this section or section 44-04-18, until the investigation is completed. The investigation and any determination of disciplinary action may not exceed sixty days from the date the complaint is filed.

**15.1-07-25.1. Student names and addresses - Authorized disclosure.**

Notwithstanding section 44-04-18.13, and subject to any limitations on the disclosure of directory information under title 20, Code of Federal Regulations, part 99, sections 31, 33, and 37, each high school shall provide to the North Dakota university system a list of all students enrolled in grades ten and eleven as of April fifteenth of each year, together with the students' addresses and telephone numbers. The North Dakota university system shall disclose this information to each institution under the control of the state board of higher education and to each nonpublic university and college in this state.

**15.1-07-26. School district demographics - Long-term planning process.**

1. Between January first and June thirtieth of every even-numbered year, the board of each school district shall invite the public to participate in a planning process addressing the effects that demographics might have on the district in the ensuing three-year and five-year periods, and specifically addressing potential effects on:
  - a. Academic and extracurricular programs;
  - b. Instructional and administrative staffing;
  - c. Facility needs and utilization; and
  - d. District tax levies.
2. At the conclusion of the planning process, the board shall prepare a report, publish a notice in the official newspaper of the district indicating that the report is available, and make the report available upon request.

**15.1-07-27. High school district - Change to elementary district - Prohibited.**

1. Beginning July 2, 2003, a high school district may not become an elementary district.
2. Subsection 1 does not apply to school districts participating in cooperative agreements approved by the superintendent of public instruction.

**15.1-07-28. Educational association - Joint powers agreement - Review by superintendent of public instruction - Criteria.**

Repealed by S.L. 2007, ch. 163, § 58, and by S.L. 2007, ch. 162, § 18.

**15.1-07-29. Ending fund balance - Amount.**

1. The board of a school district may carry over moneys to the ensuing fiscal year to meet the cash requirements of all funds or purposes to which the credit of the school district may be legally extended.
2. For taxable years beginning after December 31, 2003, and ending on December 31, 2007, the amount carried over by a school district may not exceed fifty percent of the current annual budget for all purposes other than debt retirement and amounts financed from bond sources plus twenty thousand dollars.
3. For taxable years beginning after December 31, 2007, the amount carried over by a school district may not exceed forty-five percent of the current annual budget for all purposes other than debt retirement and amounts financed from bond sources plus twenty thousand dollars.

**15.1-07-30. Compensation - Reimbursement - Extraordinary service.**

Repealed by S.L. 2007, ch. 162, § 18.

**15.1-07-31. Automated external defibrillators - Purchase and distribution.**

The superintendent of public instruction shall purchase automated external defibrillators and distribute the defibrillators to school districts in this state for placement in schools or at the site of school-related activities.

**15.1-07-32. Student performance strategist - Verification - Qualifications.**

Beginning with the 2010-11 school year, each school district must have available one full-time equivalent student performance strategist for every four hundred students in average daily membership in kindergarten through grade three. Each school district shall submit documentation to the superintendent of public instruction, at the time and in the manner directed by the superintendent, verifying the amount of time that each student performance strategist expended in tutoring students on a one-to-one basis or in groups ranging from two to five, or in providing instructional coaching to teachers. For purposes of this section, a "student performance strategist" must meet the qualifications of an elementary school teacher as set forth in section 15.1-18-07 and serve as a tutor or an instructional coach.

**15.1-07-33. Student information system - Statewide coordination - Financial support - Exemption.**

1. Notwithstanding any other technology requirements imposed by the superintendent of public instruction, the information technology department, or the North Dakota educational technology council, each school district shall acquire PowerSchool through the information technology department and use it as its principal student information system.
2. The superintendent of public instruction shall forward that portion of a school district's state aid which is payable by the superintendent under subdivision n of subsection 1 of section 15.1-27-03.1 directly to the information technology department to reimburse the department for the cost of the school district's acquisition, implementation, or utilization of PowerSchool and any related technology support services. The superintendent shall forward the amount payable under this subsection at the same time and in the same manner as provided for other state aid payments under section 15.1-27-01.
3. If the portion of a school district's state aid forwarded to the information technology department under subsection 2 exceeds the cost incurred by the information technology department in providing for the school district's acquisition, implementation, or utilization of PowerSchool and any related technology support services, the

information technology department shall return the excess moneys to the superintendent of public instruction for redistribution to the school district as per student payments.

4. The superintendent of public instruction may exempt a school district from having to acquire and utilize PowerSchool if the school district demonstrates that, in accordance with requirements of the bureau of Indian education, the district has acquired and is utilizing a student information system that is determined to be comparable by the superintendent.