

Multidistrict Agreement

This Multidistrict Agreement (hereinafter “Agreement”) is entered into this 12th day of September, 2023 by and between Browning Elementary District and Browning High School District (collectively hereinafter “Participating District” or “Participating Districts”).

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

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

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

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

WHEREAS, in accordance with section 20-9-703, MCA, Browning Elementary District shall be designated as the prime agency. All other Participating Districts shall be designated as cooperating agencies;

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

NOW THEREFORE, the districts hereby agree as follows:

1. To create a multidistrict cooperative for the purpose of day-to-day operations of the district including but not limited to health insurance, and equipment purchases;
2. To create an interlocal cooperative fund for the purpose of transferring funds from the Participating Districts for the purpose(s) stated herein;
3. The Browning Elementary District is designated as the prime agency and as such shall establish a nonbudgeted interlocal cooperative fund for the purpose of the financial administration of this Multidistrict Agreement.
4. All other Participating Districts are designated as the cooperating agencies and in accordance with section 20-9-704, shall transfer their financial support under this Agreement to the prime agency by district warrant.
5. Any and all amounts transferred into the interlocal cooperative fund by any Participating District may come from: (a) the respective district's general fund in an amount not to exceed the direct state aid in support of the respective school district's general fund; or (b) any other budgeted fund of a participating district, except that

funds cannot be transferred from the retirement fund or the debt service fund; or (c) any nonbudgeted fund of a Participating District, except that funds cannot be transferred from the compensated absence liability fund.

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

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

8. The term of this Agreement shall be from **September 12, 2023 to June 30, 2026**. This Agreement may be extended by mutual approval of each Participating District. However, the term of the Agreement may not extend beyond 3 years. Any remaining fund balance in the interlocal cooperative fund at year end may be carried over to the subsequent fiscal year.

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

10. **Expenditures from the Interlocal Agreement Fund must be presented to the Board of Trustees and will require a majority approval of the recommendation.** The prime agency shall adhere to this Agreement. The Participating Districts will be provided with a monthly accounting summary of expenditures from the prime agency.

11. The multidistrict cooperative may be dissolved upon mutual consent of all Participating Districts in writing upon 30 days written notice to all Participating Districts. In addition, any Participating District may terminate its participation in the multi-district cooperative upon 30 days written notice to all Participating Districts. In the event that the multidistrict cooperative is dissolved in its entirety, or any Participating District terminates its participation in the multidistrict cooperative, the provisions of Paragraph 12 below shall apply.

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

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

As agreed on this 12th day of September 2023.

Attest:
