

SHORT TERM NOTES

The School Board, in accordance with state law, shall have the authority during any fiscal year, upon recommendation of the Superintendent, to borrow money in anticipation of current revenues for that fiscal year and to pledge the current revenues for said fiscal year for the payment of such loan or loans if funds on hand are not sufficient to meet current expenses. The amount of borrowed funds shall not exceed one-half of the anticipated revenue and such loans shall be due and payable not later than the close of the current fiscal year. All such loans shall be approved by the Board prior to negotiation and execution of the loan.

CERTIFICATE OF INDEBTEDNESS

The School Board may issue certificates of indebtedness covering that portion of the cost of public improvements, or the payment of other obligations, benefits, and/or services, which are to be borne or to be paid by the Board under contracts payable out of the revenues of subsequent years. Such certificates shall mature over a period not exceeding ten years from the date of such certificates, with limited exceptions permitted by state statutes. Before any certificate of indebtedness can be issued, the School Board must certify to the State Bond Commission the purpose and need for any such certificates.

All notes or other evidence of indebtedness of the Board, unless specified otherwise by law, shall be signed by the President and the Superintendent and shall be limited as prescribed by law.