

MICHIGAN  
STATE BOARD OF EDUCATION

**Model Policy  
Expenditures of Funds for Intermediate  
School Districts (ISDs)**

Section 380.634 of the *Revised School Code* requires the Department of Education to develop and distribute to each intermediate school district a model policy to prohibit the use of public funds for the purchase of specified items. Each intermediate school district is required to adopt and implement a policy not later than July 1, 2005.

The statute defines "public funds" to mean "...funds generated from taxes levied under this act (Revised School Code), state appropriations of state or federal funds, or payments made to the intermediate school district for services by a constituent district or any other person, but does not include voluntary contributions made for a specific purpose by an intermediate school board member, an intermediate school district employee, another individual, or a private entity."

Intermediate school district funds or other public funds under the control of the intermediate school district may not be used for purchasing the following:

- Alcoholic beverages
- Jewelry
- Gifts
- Fees for golf
- Any item the purchase or possession of which is illegal

Public funds may be used for purchasing the following for the recognition of an employee, volunteer, or pupil, if the value of the purchase does not exceed \$100 per recipient:

- Plaque
- Medal
- Trophy
- Other awards

The \$100 monetary threshold amount is adjusted for inflation each year and announced by the Department of Education on or before December 15 of each year.

Adopted April 12, 2005