# Proposed Amendments to 603 CMR 41.00: Regional School Districts

Proposed amendments are indicated by **bold and underline** (new language) or **~~strikethrough~~** (deleted language). Proposed amendments made after the public comment period appear in ***bold and italics*** (new language) **or *~~strikethrough and italics~~*** (deleted language).

The full regulations may be found at <https://www.doe.mass.edu/lawsregs/603cmr41.html?section=05>.

**Presented to the Board of Elementary and Secondary Education for initial action:** April 29, 2025

**Period of public comment:** through June 28, 2025

**Final action by the Board of Elementary and Secondary Education anticipated:** September 30, 2025

## 603 CMR 41.00:

### Regional School Districts

**Sections:**

* [41.01:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=01) Definitions
* [41.02:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=02) Reorganization Procedures
* [41.03:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=03) Department of Elementary and Secondary Education Approval
* [41.04:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=04) Municipal Representatives in Regional School District Collective Bargaining
* [41.05:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=05) Regional School District Budgets
* [41.06:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=06) Excess and Deficiency Funds
* [41.07:](https://www.doe.mass.edu/lawsregs/603cmr41.html?section=07) Fiscal **~~Control~~** **Oversight** of Regional School Districts by the Commissioner
* **41.08: Waivers**
* **41.09: Severability**
* **~~View All Sections~~**

Most Recently Amended by the Board of **Elementary and Secondary** Education: May 19, 2009

#### 41.01: Definitions

As used in 603 CMR 41.00 the following terms shall have the following meanings:

**Alternative Assessment Method**. The calculation of members' assessments pursuant to the local option provided in the fourth paragraph of M.G.L. c. 71, § 16B. Each such assessment **shall be** **allocated pursuant to the assessment provisions of the regional agreement. Each member’s assessment** shall be the sum of the following amounts:

(a) the member's share of the regional school district's net school spending, as defined by M.G.L. c. 70, § 2**, ~~;~~** and

(b) the member's share of costs for transportation, capital **and ~~project~~** debt service, ~~,~~ **~~other capital costs~~**and all other expenditures not included in the regional school district's net school spending**.** **~~; both such shares to be allocated pursuant to the assessment provisions of the regional agreement.~~**

**~~Department. The Massachusetts Department of Education.~~**

**Board**. The Board of **Elementary and Secondary** Education of the Commonwealth of Massachusetts.

**Commissioner**. The Commissioner of **Elementary and Secondary** Education or ***the Commissioner’s*** **~~his or her~~ *~~their~~***designee.

**Department**. **The Massachusetts Department of Elementary and Secondary Education.**

**~~Expanded Regional School District~~**. **Expansion.** **The addition of grade levels to an ~~An~~ existing regional school district. ~~that has added additional grade levels.~~**

**~~Enlarged Regional School District~~**~~.~~ **Enlargement.** **The addition of one or more municipalities to an ~~An~~**existing regional school district**.** **~~that has changed its membership by adding one or more additional municipalities~~**~~.~~

**Local appropriating authority**. In a town, town meeting; in a city, the council, with the mayor's approval when required by law; in a municipality having a town council form of government, the town council.

**Member**. A municipality that is a member of a regional school district.

**Municipality**. Any city or town of the Commonwealth.

**Regional Agreement. The written agreement between municipalities establishing a regional school district pursuant to M.G.L. c. 71, § 14B and M.G.L. c. 71, § 15 and as approved by the members and the Commissioner, including approved amendments to such regional agreement, or as authorized by a special act of the Legislature for the purpose of operating a regional school district.**

**Regional School Committee**. The **~~regional~~**school committee having charge of a regional school district.

**Regional School District**. Any local education agency established under M.G.L. c. 71, § **~~15~~ 14B**; M.G.L. c. 71, § 15; **~~M.G.L. c. 74, § 5A;~~** or by a special act of **the ~~Great and General Court~~ Legislature** for the purpose of operating regional schools.

**~~School District~~ Reorganization**. The formation of a new regional school district or changes in the **~~grade structure~~ ~~or~~**membership of **or grades served by** an existing regional school district.

**Statutory Assessment Method**. The calculation of members' assessments pursuant to the provisions of M.G.L. c.70, § 6. Each **~~such~~** member’s assessment shall be the sum of the following amounts:

(a) the member's required local contribution to the regional school district as determined by the Commissioner;

(b) the member's share of that portion of the regional school district's net school spending, as defined by M.G.L. c.70, § 2, that exceeds the total required local contribution for all members, this share to be allocated pursuant to the assessment provisions of the regional agreement; and

(c) the member's share of costs for transportation, capital**~~project~~ and** debt service, **~~other capital costs,~~** and all other expenditures not included in the regional school district's net school spending, this share to be allocated pursuant to the assessment provisions of the regional agreement.

#### 41.02: Reorganization Procedures

(1) Reorganization ~~Needs~~ Conference.**~~In order to establish the need for a proposed school district reorganization and to ensure that all alternatives for satisfying said need are fully addressed, the Department shall convene a Reorganization Needs Conference. For a proposed new regional school district, the Reorganization Needs Conference shall be requested in writing by the Regional School District Planning Board, as defined in M.G.L. c. 71, § 14. For an existing regional school district expanding its grade level structure or enlarging its membership, the Regional School Committee shall submit the written request for the Reorganization Needs Conference.~~**

**A regional school district planning board, organized in accordance with M.G.L. c. 71, § 14, proposing the establishment of a regional school district, or a regional school committee proposing the expansion or enlargement of an existing regional school district, shall provide written notification to the Department of its intent to reorganize and the scope of the proposed reorganization plan at least six months before any municipality votes on such reorganization. The Department may convene a Reorganization Conference with local officials to assess the scope of the proposed reorganization and to determine the need for a Long-Range Education Plan.**

(2) **Long-Range Education Plan Submission.**

**~~The Reorganization Needs Conference shall include consideration of a Long Range Education Plan to determine~~ The Department may require a regional school district planning board proposing the establishment of a regional school district or a regional school committee proposing the expansion or enlargement of a regional school district to submit a written Long-Range Education Plan to the Department to address** whether the proposed **~~project~~ reorganization** is in the best interest of the applicant**(s), the students served by the applicant(s),** and **~~of~~** the Commonwealth. The Long**-**Range **Education** Plan shall **~~be a written plan which addresses~~ address, as applicable**: the expected educational benefits of reorganization; current and projected enrollments; an inventory of all educational facilities under the jurisdiction of the various school committees (current and proposed) and any **expected facility efficiencies or** construction **~~efficiencies~~ needs**; the administrative structure, including ~~a~~ current and proposed organization chart**s**; **~~the~~ any expected** fiscal benefits; **~~the~~ any relevant** geographical and physical **considerations ~~characteristics~~; ~~and the~~ any** **expected** transportation economies**; and any other factors** which would **~~result from a school district~~ support the proposed** reorganization.

(3) **Department Review.**

The **Department’s** review and evaluation of **a reorganization proposal, including, as applicable,** the Long**-**Range Education**~~al~~** Plan **~~by the Department~~**, shall include consideration of compliance with state and federal **education** law **and regulations** and **the reorganization’s** potential for enhancing **student** learning opportunities and **administrative and operational efficiencies ~~and improving student performance for all students within the proposed district~~**. **The Department may request additional information about the reorganization proposal or modifications to the Long-Range Education Plan. Once a determination has been made that the information provided is complete and *that the proposed reorganization* is in the best interest of the applicant(s), the students served by the applicant(s), and the Commonwealth, the Department shall provide written notification to local officials that they may proceed with the reorganization plan and direct local officials to draft a new regional agreement or an amendment to the existing regional agreement.**

**In the case of a proposal to establish a new regional school district, the Department shall direct the regional school district planning board to draft a regional agreement in accordance with M.G.L. c. 71, § 14B. In the case of a proposal to expand or enlarge a regional school district, the Department shall direct the regional school committee to draft an amendment to the regional agreement.**

#### 41.03: Department of Elementary and Secondary Education Approval

(1) **~~After the Reorganization Needs Conference the Department will either give written notification or make a written request for additional information or modifications. In the case of an approved proposal to establish a new region, the Department shall direct the Regional School District Planning Board to draft a District Agreement, in accordance with M.G.L. c. 71, § 14B. In the case of an approved proposal to expand or enlarge a regional school district, the Department will direct the regional school committee to draft an amendment to the existing District Agreement.~~ Department Review of Regional Agreements and Amendments to Regional Agreements.**

**All new regional agreements and all amendments to regional agreements must be submitted for Department review prior to submission to the local appropriating authorities of the participating municipalities and to the Commissioner for approval.**

(2) **Formation, Enlargement, Expansion, Withdrawal, and Dissolution.** **~~Admission and Withdrawal of Members~~**

(a) A new **~~member may be admitted to, or an existing member withdraw from, a~~** regional school district **may be formed or an existing regional school district may amend its regional agreement to enlarge or expand the regional school district** as of July 1 of any fiscal year, provided that all requisite ***member*** approvals for such **formation, enlargement, or expansion ~~or admission or withdrawal,~~ *~~including~~*** ***and*** the Commissioner's approval shall be obtained no later than the preceding December 31. The ***regional*~~regional~~ agreement or amendment to the regional agreement and** authorizing **local** votes may provide for the deferral of **~~said admission or withdrawal~~** an expansion or enlargement until July 1 of a subsequent fiscal year.

(b) Following the approval of a prospective member for admission into a regional school district and continuing until the actual date of such admission, the local school committee of the prospective member may designate a non-voting representative to the regional school committee.

**(c) A member may withdraw from a regional school district only after submitting a Long-Range Education *P*lan in accordance with** **603 CMR 41.02(2)*~~and only with the approval of the~~ ~~Commissioner in accordance with the timeline in 603 CMR 41.03(2)(a)~~.* Such withdrawal shall be reflected in an amendment to the regional agreement, proposed *with all requisite member approvals* to the Department *~~and approved by the~~* *for* Commissioner *approval,* *in accordance with the timeline in 603 CMR 41.03(2)(a)*. The authorizing local votes may provide for the deferral of said withdrawal and implementation of said amendment to the regional agreement until July 1 of a subsequent fiscal year.**

***(d)* A proposal to decrease the grade levels of a regional school district requires *the* *submission of Long-Range Education Plans by the members in accordance with 603 CMR 41.02(2) to reflect the reconfigured school districts.* *Such reorganization shall be reflected in an amendment to the regional agreement, proposed with all requisite member approvals to the Department for Commissioner approval, ~~submission of an amendment to the regional agreement by the regional school district and submission of Long-Range Education Plans by the members to reflect the reconfigured school districts; any such amendment must be approved by the Commissioner~~* in accordance with the timeline in 603 CMR 41.03(2)(a). *The authorizing local votes may provide for the deferral of said decrease in the grade levels and implementation of said amendment to the regional agreement until July 1 of a subsequent fiscal year.***

**(~~d~~*e*) A regional agreement may be terminated and the regional school district dissolved only after the members have submitted *~~a~~* Long-Range Education Plan*s* ~~as outlined~~ in *accordance with* 603 CMR 41.02(2)*.* *~~and only with the approval of the local appropriating authorities of the members and the Commissioner~~*  *Such dissolution shall be reflected in an amendment terminating the regional agreement, proposed with all requisite member approvals to the Department for Commissioner approval*, in accordance with the timeline in 603 CMR 41.03(2)(a).**

(3) **Local Votes.**

When a **~~R~~**regional **~~School District~~ ~~A~~a**greement **or amendment to a** **~~Amended~~ regional ~~A~~**agreement ***proposed under 603 CMR 41.03(1) or 603 CMR 41.03(2)(a), (c), (d) or (e)*** has been ***approved*** ~~accepted~~ by **~~all of~~** the **local appropriating authorities** of the participating municipalities, the **~~R~~r**egional **~~S~~s**chool **~~D~~d**istrict **~~P~~p**lanning **~~B~~b**oard or **~~R~~r**egional **~~S~~s**chool **~~C~~c**ommittee shall submit **~~to~~** the proposed **regional ~~A~~a**greement or **~~Amended~~****amendment to** **the** **regional** **~~A~~a**greement, together with the certified votes of the participating municipalities, to the Commissioner for approval.

(4) **Commissioner Approval.**

The Commissioner shall approve or disapprove a **~~R~~r**egional **~~District~~ ~~A~~a**greement, **~~and~~** any subsequent amendments to **~~the~~a** **regional ~~A~~agreement, and any proposal to terminate a regional agreement.** **The Commissioner’s approval shall be** based on **a** review and recommendation by the Department that **~~the~~ shall include, but not be limited to, whether the regional ~~A~~agreement or amendment to the regional agreement** meets the standards in 603 CMR 41.00 and applicable law **and regulations. No change to a regional agreement shall be effective until approved by the Commissioner.** The decision of the Commissioner shall be final.

(5) **Transition Planning Period.**

With the approval of the **~~c~~C**ommissioner, a regional agreement may provide for a transition planning period to commence with the election or appointment of the **new** regional school committee. Such transition planning period may extend not longer than the remainder of the fiscal year in which the **new regional** school committee is elected or appointed plus one additional fiscal year. During such transition planning period, the **existing ~~local~~** school committees shall continue to oversee and operate the schools in their respective **~~towns~~** **school districts.** The **new** regional school committee shall have non-operating status during this period and shall have power to hire staff, enter into contracts, and take such other actions as are needed to prepare for an orderly transition. At the end of the transition planning period, responsibility for the oversight and operation of the **regional school district ~~schools~~** shall transfer to the **new** regional school committee.

#### 41.04: Municipal Representatives in Regional School District Collective Bargaining

(1) **Selection of Municipal Representative.**

No less than 21 days before collective bargaining negotiations commence or resume in a regional school district, the superintendent of the district shall send a notice to all chief executive officers of the **~~member cities and towns~~ members** of the **regional school** district, or, if there is no town manager or town administrator in a member **~~town~~,** to the **~~chairman of the board of selectmen,~~chairperson** of the **select board** in that town, indicating the time, place and date of a meeting to be held by the regional school district at which the chief executive officers **and ~~or~~ ~~chairmen of boards of selectmen~~ chairpersons of select boards** shall elect one of their number to represent them pursuant to M.G.L. c. 150E, §1. **Said representative shall be referred to as the municipal representative.**

(a) The meeting **to elect the municipal representative** shall be held no later than seven days before commencement of collective bargaining negotiations in the regional school district**~~,~~** and shall comply with the open meeting law. In regional school districts where regional agreements provide for weighted voting in accordance with law, such weighted voting shall be employed.

(b) A chief executive officer or **~~chairman~~ chairperson** of a **select** board **~~of selectmen~~** may designate a representative to attend the meeting and to vote in **~~his or her~~ their** place.

(c) If the meeting of the chief executive officers and **~~or chairmen~~** **chairpersons** of **select** boards **~~of selectmen~~** does not result in the designation of a **municipal** representative, the superintendent **of the regional school district** shall notify the **~~c~~C**ommissioner**~~of Education~~**, who shall **~~randomly~~** select one **municipal** representative from among the chief executive officers **and~~or~~ chairpersons ~~chairmen~~**of **select** boards**~~of selectmen~~**. Failure of the meeting of chief executive officers **~~or~~** and **~~chairmen~~ chairpersons** of **select** boards **~~of selectmen~~** to elect a **municipal** representative shall not delay or otherwise impede the collective bargaining process.

(d) The chief executive officer or **~~chairman~~ chairperson** of the **select** board **~~of selectmen~~** chosen to represent members **~~municipalities~~** may serve either personally or through a designee, and must serve through a designee if such **~~officer or~~****~~selectman~~ individual** is barred from service under the provisions of M.G.L. c. 268A. In **any** such case**~~s~~**, the **town or** city council or **select** board **~~of selectmen~~**shall designate an alternate.

(2) **Role of Municipal Representative.**

The municipal representative shall serve as a member of the **regional** school committee on all matters related to collective bargaining by the regional school district. The municipal representative may serve on the **regional** school district bargaining team, if any, if selected by the regional school committee to be a member of such a sub-committee.

(3) **Vote of Municipal Representative.**

The municipal representative shall have one vote in all **regional** school committee deliberations on collective bargaining matters. In regional school districts which employ weighted voting, the municipal representative's vote shall be added to the vote total of the elected members and shall not cause a reapportioning of voting weight among the elected **regional** school committee members.

(4) **Term of Municipal Representative.**

The municipal representative's term as a participant in the regional school **committee’s** **~~district's~~** collective bargaining shall be the same length as the term of office of an elected member of the **regional** school committee unless a shorter term is agreed to by the chief executive officers of the member cities and towns at the time of the municipal representative's selection.

#### 41.05: Regional School District Budgets

(1) **Initial Adoption by the School Committee.**

(a) The regional school committee shall propose**~~, by a majority~~ ~~vote~~**~~,~~ a budget containing all proposed operating expenditures**, transportation expenditures**, capital expenditures, and debt service payments to be paid from general revenues of the regional school district. The budget shall be classified into such line**-**items as the regional school committee shall determine, provided that such line**-**items shall be consistent with but need not be to the same level of detail as the chart of accounts required for the end of year reporting of expenditures pursuant to 603 CMR 10.03(3).

(b) The budget shall identify each separate **general** revenue source, and the amount estimated for each **general** revenue source; shall specify whether members' assessments are to be calculated pursuant to the statutory assessment method or the alternative assessment method; and shall specify the total amounts to be assessed to the members for the support of the budget.

(c) The regional school committee may include a line**-**item in the budget for a reserve for extraordinary and unanticipated expenditures.

(d) The regional school committee may include a line**-**item in the budget for transfers into a stabilization fund established pursuant to M.G.L. c.71, § 16G½. Proposed expenditures from this stabilization fund shall not be included in the budget**~~,~~** but shall be governed by the requirements of M.G.L. c.71, § 16G½.

(e) Expenditures from grant funds, revolving funds, trust funds, and other funds that by law may be expended by the regional school committee without further appropriation**~~,~~** shall not be included in the budget. A summary of projected receipts and expenditures in such funds shall be provided to the members for informational purposes only along with the budget.

**(f)** **~~(g)~~** The regional school committee shall hold a public hearing on the proposed budget and, following such hearing, shall adopt a budget by a two-thirds vote **of the full regional school committee,** incorporating such changes from the proposed budget as the regional school committee deems appropriate.

**(g) ~~(h)~~** The treasurer of the regional school district shall certify **the members’ assessments** and transmit the **adopted** budget and the **members’** assessments to each member within 30 days after the **regional** school committee's adoption of the budget and**~~, in any event,~~** no later than April 30.

(2) **Initial Action by the Local Appropriating Authorities.**

(a) The budget as adopted by the regional school committee and the member's assessment as certified by the treasurer of the regional school district**~~,~~** shall be placed before each **member’s** local appropriating authority for its consideration. Notwithstanding provisions in the regional agreement to the contrary, approval of the budget shall require an affirmative vote of the **local** appropriating authorities of two-thirds of the members. A vote by the local appropriating authority to appropriate the member’s assessment shall constitute approval of the regional school district’s budget.

**(b)** The use of the alternat**iv**e assessment method shall require the approval of **the** **local appropriating authorities of** all **~~of~~** the members; such approval may be given by **~~a~~** separate **positive** vote**s** of the **local** appropriating authorit**~~y~~ies of all the members to approve the use of the alternative assessment method and positive votes of two-thirds of the local appropriating authorities of the members to approve the budget~~, or if~~.** **If** a separate vote is not taken **to approve the use of the alternative assessment method, the** approval of **~~a~~the** budget or **the** assessment based on the alternat**iv**e **assessment method by a local appropriating authority** shall be deemed approval of the method.

**~~(b)~~ (c)** If a local appropriating authority votes to appropriate a lower amount than the assessment as certified by the treasurer of the regional school district, such vote shall not constitute approval of the budget as submitted by the regional school committee. The regional school committee may consider such votes when it reconsiders the budget pursuant to 603 CMR 41.05(3).

**~~(c)~~ (d) ~~Approval of a budget based on the alternative assessment method~~The method used to calculate member assessments** shall be reported to the ~~c~~Commissioner on the regional school district’s end of year financial **~~returns~~report.**

(3) **Reconsideration of Rejected Budgets.**

(a) If the budget is not approved **~~by two-thirds of the members,~~ in accordance with 603 CMR 41.05(2),** the regional school committee shall have 30 days from the date of disapproval **~~by more than one-third of the members~~** to reconsider, amend, and adopt a revised budget. With the approval of the Commissioner, this 30-day period may be extended an additional 15 days. Where the local appropriating authority is town meeting and the annual town meeting is dissolved prior to voting on the budget, the budget shall be deemed disapproved by that member as of the date of such dissolution.

(b) The revised budget adopted by the regional school committee and the assessments corresponding to such budget may be less than, equal to, or greater than the amounts in the previously adopted budget.

(c) Within seven days following the regional school committee's adoption of a revised budget, the treasurer of the regional school district shall calculate and certify the assessment of each member and shall transmit the assessments and a copy of the revised budget to the members. Each member's local appropriating authority shall have 45 days from the date of the regional school committee's vote to meet and consider the revised budget.

(d) The approval of a revised budget shall be as set forth in 603 CMR 41.05(2)(a) a**nd (b).** If a local appropriating authority **of a member** does not vote on the revised budget within the 45-day period**~~,~~** and **previously appropriated funds for its assessment in an amount greater than or equal to its assessment under the revised budget,** that member shall be deemed to have approved the revised budget.

(e) In a regional school district comprised of three or more members, if the revised budget is not approved, the regional school committee shall again reconsider, amend, and adopt a revised budget. The revised budget shall be resubmitted to the members pursuant to the provisions of 603 CMR 41.05(3)**(a)-(d).**

(f) In a regional school district comprised of two members, if the revised budget is not approved by **the local appropriating authorities of** both members, the regional school committee shall again reconsider, amend, and adopt a revised budget and shall convene a district-wide meeting **in accordance with M.G.L. c. 71, § 16B,** at which the revised budget shall be placed before all voters eligible to vote at said meeting. If a majority of voters at this district-wide meeting votes to approve the revised budget, such vote shall constitute approval. If a majority of voters at this district-wide meeting votes to approve a greater or lesser amount for the budget, such amount shall be placed before the regional school committee**.** ***~~for its~~*****~~ratification~~ *~~reconsideration~~*~~.~~** If the regional school committee by a two-thirds vote **of the full committee** ratifies **~~this~~ such** amount, it shall constitute approval. If the regional school committee rejects such **~~greater or lesser~~** amount, it shall again reconsider, amend, and adopt a revised budget and shall reconvene a district-wide meeting pursuant to the provisions of **this section** 603 CMR 41.05(3)(f).

(g) A district-wide meeting convened in accordance with 603 CMR 41.05(3)(f) shall only consider budgets based on the statutory assessment method.

(h) A regional school committee may reconsider, amend, and adopt a revised budget at any time prior to the approval of a previously adopted budget.

(i) If a local appropriating authority votes to approve an adopted budget subsequent to the required date for such action but prior to the regional school committee's revision of the budget, such vote shall be deemed valid.

(j) Whenever a member's assessment is reduced to a **lesser ~~smaller~~** amount than previously appropriated by the local appropriating authority, that appropriation shall automatically be reduced to the lesser amount.

(4) **Establishment of Budgets by the Commissioner.**

(a) If the **~~operating~~ annual** budget for a regional school district has not been approved by July 1, the superintendent of schools shall notify the Commissioner, and the Commissioner shall establish an interim monthly budget for the regional school district. The interim monthly budget shall be one-twelfth of the regional school district's budget for the prior fiscal year or such higher amount as the Commissioner may determine. The interim monthly budget shall remain in effect until **~~an operating~~ a** budget is approved pursuant to 603 CMR 41.05(3) or December 1, whichever comes earlier.

(b) If a regional school district's budget has not been approved by December 1 of the fiscal year, the Commissioner shall assume fiscal **~~control~~ operation** of the regional school district pursuant to M.G.L. c. 71, § 16B **~~and 603 CMR 41.07~~** and shall establish the final budget for the fiscal year. **In this event, the Commissioner shall exercise fiscal oversight of the regional school district as provided in 603 CMR 41.07.**

(c) Whenever the Commissioner establishes an interim or final budget for a regional school district under the provisions of **this section** 603 CMR 41.05(4), the treasurer of the regional school district shall calculate and certify to the members their respective assessments**~~.~~ based on the statutory assessment method and using the final or most recently proposed state aid amounts, general fund revenues, and required local contributions for the budget year. ~~Every~~ Each** member shall pay its respective assessment in accordance with the payment schedule in the regional agreement. The appropriation of funds to pay an assessment ordered by the Commissioner under **this section** 603 CMR 41.05(4) shall not be deemed approval by the **~~municipality~~ member** of the district's budget.

(5) **Amendments to Approved Budgets.**

(a) A regional school committee may propose, **~~with~~ by** a two-thirds vote **of the full committee**, an amendment to a previously approved budget. If such amendment results in an increase in the total amount of the budget or an increase in **the** assessment for any member, such amendment shall be submitted to the local appropriating authorities **of the members** for their approval. The treasurer of the regional school district shall **certify the revised assessments and** submit the proposed amendment **and revised assessments** to the members within **~~7~~ seven** days from the date of the regional school committee vote. The local appropriating authority of every member shall have 45 days from the date of the regional school committee's vote to meet and consider the amendment. The proposed amendment shall be effective if it is approved by two-thirds of the local appropriating authorities **of the members** and by the local appropriating authority of any member whose assessment is increased.

(b) If a local appropriating authority **of a member** does not vote on the proposed amendment within the 45-day period and that local appropriating authority has previously appropriated funds for its assessment in an amount greater than or equal to the member's assessment for the amended budget, that member shall be deemed to have approved the amended budget.

(c) If a proposed amendment to a previously approved budget does not increase the total amount of the budget and reduces or leaves unchanged the assessment for every member, the amendment shall not require approval by the local appropriating authorities and shall be effective upon a two-thirds vote of the regional school committee. **Notwithstanding the foregoing, the amended budget and any revised assessments, as certified by the regional school district treasurer, shall be submitted to the members within seven days from the date of the regional school committee vote.**

(d) If the Commissioner adjusts the required local contribution of any member or members subsequent to the approval of the budget, the regional school committee shall propose an amendment to the budget to reflect such adjustments.

(e) Whenever a member's assessment is reduced to a **~~smaller~~ lesser** amount than previously appropriated by the local appropriating authority, the appropriation shall automatically be deemed to be reduced to such lesser amount.

(f) Transfers from one budget line-item to another shall require and be effective upon approval of the regional school committee. Such approval shall be by a majority vote of the regional school committee unless otherwise specified in the regional agreement. Authority for such transfers **~~may~~ shall** not be delegated.

(6) **Changes to Budget upon Admission or Withdrawal of Members.**

(a) The treasurer of the regional school district shall include prospective member(s) in the calculation of assessments for the fiscal year in which the member(s) will be admitted. If such assessments are based upon enrollment in the prior fiscal year, the treasurer of the regional school district**~~, with the approval of the Commissioner,~~** shall **use the same** estimate**d ~~the~~** enrollment **~~to be used~~** for prospective member**(s)** **as used by the Department to calculate the required local contributions under M.G.L. c. 70.** The local appropriating authorities of prospective member**(**s**)** shall vote on the **regional school** district budget for the fiscal year in which the member**(**s**)** will be admitted and on the same terms and conditions as if they were **~~a~~** member**(**s**)**.

(b) The treasurer of the regional school district shall exclude withdrawing member**(**s**)** from the calculation of assessments for the fiscal year in which such withdrawal will **~~take place~~ be effective**. The local appropriating **~~authority~~ authorities** of the withdrawing member**(**s**)** shall not vote on the **regional school** district budget for the fiscal year in which they will no longer be **~~a~~**member**(**s**)**.

(7) **Department Opinions**.

The regional school committee or the mayor, **select** board **~~of selectmen~~, or town council** of a member may request that the Commissioner issue an opinion as to whether**:**

(a) the assessments of members have been calculated correctly; **~~and/~~**or

(b) **~~whether~~** the budget of the regional school district has been approved in accordance with statutory and regulatory requirements.

**In the case of such a request the Commissioner may take such actions as *the Commissioner ~~he or she~~* deems appropriate, including, but not limited to, requiring the regional school committee to provide financial information to the Department and to fund a consultant to inform the Commissioner’s opinion.**

(8) **State Review**.

The Commissioner, in consultation with the Commissioner of Revenue, may request any regional school committee to submit its proposed budget for review prior to its adoption by the regional school committee**. ~~Upon~~ Within seven days of** such a request, the regional school committee shall provide the Department **~~within 7 days~~** with a copy of its proposed budget and all other information as requested by the Commissioner. The regional school committee shall not vote on the adoption of the budget and the treasurer of the regional school district shall not certify assessments to the members unless and until the Commissioner and the Commissioner of Revenue jointly determine that the proposed budget is in balance.

#### 41.06: Excess and Deficiency Funds

(1) Every regional school district shall maintain an excess and deficiency fund on its books of account. At the end of every fiscal year, any surplus or deficit in the district's general fund shall be closed to the excess and deficiency fund.

(2) On or before October 31 of each year, every regional school district shall submit to the Department of Revenue the forms and schedules as the Department of Revenue requires for the purpose of reviewing and certifying the balance in the regional school district's excess and deficiency fund **as of the close of the previous fiscal year**. At the discretion of the Commissioner, the Department may withhold release of all or some part of the**~~quarterly~~ monthly** state school aid for the regional school district if the regional school district has not filed the required forms and schedules by such date.

(3) A regional school committee may use all or part of the certified balance in the excess and deficiency fund as a revenue source for its **~~proposed~~ current** budget**~~.~~, by** **amendment to the budget, or as a revenue source in the proposed budget for the fiscal year next succeeding the year during which the excess and deficiency is certified. Following Department of Revenue certification, ~~I~~i**f the certified balance exceeds five percent of the proposed budget **for the year succeeding the year for which the balance is certified,** the regional school committee shall use the amount in excess of five percent as a revenue source **for either its current budget or** its proposed budget **for the fiscal year next succeeding the fiscal year during which the balance is certified. Funds so encumbered in a budget adopted by the regional school committee and approved by the members shall not be subject to 603 CMR 41.06(1).**

#### 41.07: Fiscal ~~Control~~ Oversight of Regional School Districts by the Commissioner

(1) When the Commissioner is required to **~~assume~~exercise** fiscal **~~control~~ oversight** of a **regional school** district pursuant to M.G.L. c. 71, §16B and 603 CMR 41.05(4)(b), **~~the following actions taken by the regional school committee, the superintendent of schools, or any other official of the school district shall be effective only with the written approval of the Commissioner:~~**

**~~(a) Adoption or reconsideration of the district budget pursuant to 603 CMR 41.05(1) and (3).~~**

**~~(b) Transfer of budgetary authority between line items.~~**

**~~(c) Encumbrance or expenditure of funds not included in the general fund budget.~~**

**~~(d) Borrowing.~~**

**~~(e) Execution of new or amended collective bargaining agreements.~~**

**~~(f) Execution of new contracts or amendments to existing contracts with a value of $25,000 or more.~~**

**~~(g) Establishment, increase, or decrease of user fees.~~**

**upon request, the regional school district shall promptly provide the Commissioner with documentation which may include, but not be limited to, the following:**

(**a) The current fiscal year’s general fund line-item budget.**

**(b) An expenditure report that includes expended funds, obligated or encumbered funds, and unencumbered funds for the current fiscal year.**

**(c) A list of user fees charged by the regional school district, including the purposes of the fees.**

**(d) Non-general fund balances, including school choice, stabilization, special education transportation, and all other special or revolving accounts and funds available to the regional school committee.**

**(e) The schedule for any bond anticipation notes (BANS) and revenue anticipation notes (RANS) owed by the regional school district.**

**(f) The status of current indebtedness, including capital projects approved or pending under the Massachusetts School Building Authority (MSBA).**

**(g) An organization chart for the regional school district, including all administrative positions.**

**(h) A list of collective bargaining agreements with expiration dates and an update on any pending negotiations.**

(2) During the period of fiscal **~~control, the Commissioner may impound any unencumbered funds for such period of time as he determines.~~ oversight, the following actions taken by the regional school committee, the superintendent of schools, or any other regional school district official shall be effective only with the written approval of the Commissioner:**

**(a) Adoption, reconsideration, or amendment** **of the** **regional school ~~committee~~*****district*** **budget** **pursuant to 603 CMR 41.05~~;~~*,*including, but not limited to, use of excess and deficiency funds, and appropriation to stabilization or special education reserve funds.**

**(b) Transfer of budgetary authority between line-items.**

**(c) Planned borrowing, including bond anticipation notes (BANS), revenue anticipation notes (RANS), and intent to incur debt pursuant to M.G.L. c. 71, § 16.**

**(d)** **Execution of new or amended collective bargaining agreements~~;~~*,* including*,* but not limited to, memoranda of understanding, settlement agreements, or any other addenda or extensions to collective bargaining agreements.**

**(e)** **The establishment of new positions and the execution of new or amended employee contracts.**

**(f) Execution of all other new or amended contracts with a value *~~or increase~~* of $25,000 or more.**

(3) **~~In addition to the powers enumerated in 603 CMR 41.07(1) and (2) the Commissioner may undertake any initiative that he deems necessary to secure the financial stability of the district.~~ During the period of fiscal oversight, the Commissioner may notify the regional school district that the encumbrance or expenditure of certain funds not included in the general fund budget or the establishment, increase, or decrease of user fees shall require Commissioner approval.**

**(4)** **During the period of fiscal oversight, the Commissioner may impound any unencumbered funds for such period of time as *~~he~~ ~~or she~~*** ***the Commissioner*** **determine*~~s~~***.

(5) **~~The Commissioner’s fiscal control shall continue until the end of the fiscal year or until the member towns have approved a budget for the subsequent fiscal year, whichever is later.~~** **In addition to the powers enumerated in 603 CMR 41.07(1) through (4), the Commissioner may undertake any initiative that *~~he~~******~~or she~~*** ***the Commissioner* deems necessary to secure the financial stability of the regional school district.**

(6) The Commissioner may designate a person to act on ~~his~~ ***~~their~~  the Commissioner’s*** behalf with respect to ~~his~~ ***~~their~~*** responsibilities under 603 CMR 41.07.

**(7)** **The Commissioner’s fiscal ~~control~~ oversight shall continue until the end of the fiscal year or until the members ~~towns~~ have approved a budget for the subsequent fiscal year, whichever is later.**

#### 41.08: Waivers

**A regional school committee, by its superintendent, or a regional school district planning board, or a member, by its chief executive officer, may make a written request for a waiver of any requirement in 603 CMR 41.00 to the Commissioner*~~for their approval~~*. The Commissioner has *~~may~~*~~,~~ *~~in~~* *~~their~~* discretion*~~,~~ to* grant such a waiver in extraordinary circumstances and only to the extent allowed by law. No such waiver shall be effective until approved by the Commissioner.**

#### 41.09: Severability

**If any section or portion of a section of 603 CMR 41.00, or the applicability of 603 CMR 41.00, to any person, entity or circumstance is held invalid by a court, the remainder of 603 CMR 41.00 or the applicability of such provisions to other persons, entities or circumstances shall not be affected thereby.**

**Regulatory Authority:**
603 CMR 41.00: M.G.L. c. 69, §1B; c. 71, §14B and §16D; c. 150E, §1.

**Disclaimer:**For an official copy of these regulations, please contact the State House Bookstore, at 617-727-2834 or visit [Massachusetts State Bookstore](https://www.sec.state.ma.us/spr/sprcat/catidx.htm).