

**Opinion No. 107****Schools and School Districts—Contracts for Repair, May Be Paid Over  
Period of Years—School Trustees.**

**Held: A school district has the authority to enter into a contract for the repair of a school building and provide in the contract for payment over a period of three years.**

May 5th, 1950.

Mr. James T. Harrison  
County Attorney  
Phillips County  
Malta, Montana

Dear Mr. Harrison:

You have requested my opinion concerning the authority of a board of trustees of a school district to enter into a contract for the repair of school buildings, the payment of which will be spread over a period of three years. You have advised me that the trustees complied with the law in requesting bids for material and labor in the repair of the school building.

This office, in Opinion No. 60, Volume 22, Report and Official Opinions of the Attorney General, considered the purchase of a school bus by a school district which was to be paid for over a period of three years. The opinion held that the district had the power to enter into such a contract and the reasoning in that opinion would apply with equal force to a contract for repair of a school building.

Section 75-1632, Revised Codes of Montana, 1947, enumerates the powers granted to a school board and one of these is the authority to repair school buildings. Section 75-1637, Revised Codes of Montana, 1947, prohibits any school trustee from having any pecuniary interest in contracts for the repair of schools and it also provides that a contract for repair "where the amount involved is two hundred and fifty dollars, or more," must not be let without first advertising in a newspaper and calling for bids. This latter section does not prohibit contracts being made by the trustees, the payment for which shall extend over three years. Such manner of payment might well be a convenient method for meeting such necessary expenditures without unduly burdening the district in any one year.

Compliance with the budget law is necessary for such a contract and the annual payments under the contract, for elementary schools, must be included in Item 6 of Section 1 as found in Section 75-1703, Revised Codes of Montana, 1947. For high schools the annual payment should be entered in subsection III of Part I of the high school budget as provided in Section 75-4502, Revised Codes of Montana, 1947. The repair of buildings could also be financed by a bond issue as subsection (a) of Section 75-3901 names the repair of school houses as one

of the authorized bond purposes. However, the trustees of the district are its managing officers and directors and have large discretionary power in managing school affairs. .

It is therefore my opinion that a school district has the authority to enter into a contract for the repair of a school building and provide in the contract for payment over a period of three years.

Very truly yours,  
ARNOLD H. OLSEN,  
Attorney General.