

D-5 SHORT TERM NOTES

In accordance with state law, the Board has the authority during any fiscal year, and upon recommendation of the Superintendent, to borrow money in anticipation of current revenues for the fiscal year and to pledge the current revenue for said fiscal year for the payment of such loan or loans if funds on hand are not sufficient to meet current expenses. Such loans shall be due and payable not later than the close of the current fiscal year or when the state makes its final appropriation. All such loans shall be recommended by the Superintendent and approved by the Board prior to negotiation and execution of the loan. Rates of interest on any loans shall not exceed the maximum allowed by law.

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

ADOPTED: May 11, 2004

**LEGAL REF: Code of Alabama 16-13-145 to 146; Harman V Alabama College,
235 Alabama 148, 177 So. 2d 747 (1937)**