

SCHOOLS:

SCHOOL DISTRICTS:

Surrendering of \$50.00 warrant which cannot be paid in full for lack of funds, in exchange for smaller warrants would be in effect making partial payments upon outstanding warrants, in violation of Section 9312, R. S. Mo. 1929.

3-14

March 13, 1934.



Mr. John S. Phillips,  
Prosecuting Attorney, Butler County,  
Poplar Bluff, Missouri.

Dear Sir:

We are acknowledging receipt of your letter in which you inquire as follows:

"There is a school board in my county which has a debt against it in the sum of \$100.00, which is made in two warrants of \$50.00 each. These two warrants are held by one man who taught school for them in 1929 and 1930. The school board has some money in the treasury for the payment of that year's debts, but does not have enough to pay the amount which he holds against them.

I would like to have your opinion as to whether or not it is possible for them to issue new warrants for a smaller amount so that he can cash these later warrants and get as much as he can out of the treasury."

Section 9312, R. S. Mo. 1929, dealing with school warrants for common schools, among other things, provides:

\*\*\*"No treasurer shall honor any warrant unless it be in the proper form and upon the appropriate fund; and each and every warrant shall be paid from its appropriate fund, and no partial payment shall be made upon any school warrant, nor shall any interest be paid upon any such warrant:\*\*\*\*."

The above section prohibits the making of any partial payment upon a school warrant. You state in your letter that this teacher holds two warrants of \$50.00 each against this district and that he has been unable to get them paid because there is not \$50.00 to the credit of the year for which the warrant was drawn. The obvious purpose of surrendering these \$50.00 warrants and taking smaller warrants is that the smaller warrants may be paid out of

the funds on hand. The \$50.00 warrants cannot be paid because of lack of funds and if they are surrendered and smaller warrants issued in exchange therefor, it appears to us that it is an attempt to circumvent the statute and in legal effect is the making of partial payments upon the original indebtedness. The original indebtedness is \$50.00 in each instance and the district would have no right to pay \$10 or \$15 in cash on either of these warrants. To permit them to issue warrants of smaller denomination it seems to us would be to permit them, by indirection, to do what they cannot do directly. The obvious purpose of such a plan is to make partial payments upon the warrants and indebtedness now existing, and we believe that such action on the part of the district would be deemed to be in violation of the statute, because the evident purpose and effect by such course is to make partial payments upon warrants already outstanding which were issued for an indebtedness existing several years ago.

It is the opinion of this Department, therefore, that the proposed plan to issue warrants of smaller denomination in exchange for the \$50.00 warrants would in legal effect be the same as making partial payments upon the already existing indebtedness and outstanding warrants, and that such a course would be in violation of the above section.

Very truly yours,

FRANK W. HAYES,  
Assistant Attorney General.

APPROVED:

---

Attorney General.

FWH:S