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FINANCIAL OPERATION

Policy 3100
(Regulation 3100)

Financial Management

The Board of Education will adopt a series of policies to provide direction regarding the District's budget and financial affairs which reflect the educational philosophy of the School District and provide a framework in which the District's administration can effectively operate.

The budget and finance processes will conform to all state and local requirements as set forth by the State constitution, State statutes, Department of Elementary and Secondary Education rules, and Board policies.

Good business necessitates keeping accurate, legal and understandable records of receipts and expenditures. It is also essential that procedures be followed which will help to insure that the budget adopted by the Board of Education is effective in providing parameters for the fiscal affairs of the School District.

The purpose of the District budget and finance policies will be to provide direction for a systematized procedure that maintains continuity from year to year and informs the public regarding the education and financial operations of the School District.

ADOPTED

7-20-98

Financial Operations**Debt Management Policy**

The debt management policy of the District is to remain in full compliance with statutes of the State of Missouri by borrowing within the allowable limits of no more than fifteen percent (15.00%) of the District's assessed valuation, which can include state assessed railroad and utility properties located within its boundaries. It is also important that the District exercise caution and prudence concerning its full compliance with the rules and regulations of the United States Department of the Treasury Internal Revenue Service (IRS) to avoid any risk of loss of the tax exempt status of any proposed financings, as well as those currently in existence. Generally the improper spending of the bond proceeds is what triggers a violation of IRS regulations and not complying with the ballot language for the projects can create problems with the Missouri State Auditor and local patrons.

In terms of philosophy towards the monitoring of a long term debt management policy, the Board of Education and Administrators recognize that to achieve the necessary 4/7 or 2/3 majority for approval by the voters of general obligation bond issues it is likely to be much easier if no increase in the debt service fund levy occurs. As a result, it is the District's practice to issue general obligation bonds with optional redemption (call) provisions that facilitate prepayments when excessive debt service fund balances accumulate with the goal of maintaining a constant debt service fund levy. This policy has enabled the District to achieve significant interest savings by issuing refunding bonds to capture lower interest when municipal bond markets change.

On occasion the District may consider capital facilities or equipment lease financing programs. It is the intent to only enter into those types of transactions when it is clear based upon reports from the District's Municipal Bond Underwriter that such a program is affordable and that its implementation does not harm the overall operating budget. If the project and lease financing are deemed essential, but beyond the range of reasonable affordability, the Board of Education and Administration will approach the voters for a temporary or permanent increase in the operating levy to produce the additional revenue.

Since general obligation bond issues and capital facilities or equipment lease financings happen intermittently, it presents challenges for administrators and board members to keep fully informed about the conditions of the municipal bond market, changing rules and regulations issued by the U.S. Treasury Department, etc. For these reasons the Board of Education engages the service of a municipal bond underwriter on a continuing basis to assist the administrators and board members keep up to date and understand what refunding opportunities exist and what actions are necessary to preserve the existing debt service fund levy to remain on track with the long range facilities plans.

The Superintendent of Schools and other staff providing assistance with those special duties are responsible to the Board of Education for carrying out this policy.

8:21:19

Financial Management**Fraud Prevention**

The District is committed to protecting the public funds with which it has been entrusted. Minimizing the losses to fraud and corruption is an essential part of ensuring that all of the District's resources are used for the purpose for which they are intended.

The public is entitled to expect the District to conduct its affairs with integrity, honesty and openness, and demand the highest standards of conduct from those working for it and with it.

Definition of Fraud and Corruption

Although there is no precise legal definition of fraud, the term is used to describe a multitude of offences, including deception, forgery, theft, misappropriation, collusion and false representation of material facts.

Corruption arises when a person receives any benefit which influences them and causes them to act differently when conducting District business.

The District's Response

Board policy requires that matters involving any financial irregularities are referred to the Superintendent for investigation. These matters are taken seriously and additional action, such as disciplinary proceedings and/or prosecution, will be taken where evidence of offences is found.

The Superintendent/designee will:

- ♦ Compile a report of findings for submission to the Board with a recommendation as to whether disciplinary action is appropriate.
- ♦ Where appropriate, coordinate with the police in order for them to consider taking criminal action.
- ♦ Advise departments on how to address procedural weaknesses identified during investigation.

The Investigation Process

The purpose of any investigation is to establish the facts in an equitable and objective manner.

The process will involve the use of authority or delegated powers to:

- ♦ screen allegations or information to gauge their credibility;
- ♦ secure all evidence;
- ♦ interview suspects;
- ♦ interview witnesses;
- ♦ take statements; and
- ♦ coordinate with departments or other agencies (including the police).

The Superintendent/designee will establish and record the basis of the concerns raised and establish what further actions are required. The Board will be informed of all reported disclosures and the actions being taken. In the case of disclosures on alleged fraud and corruption, the Chief Financial Officer will inform the District's external auditors.

Whenever possible, the individual raising the concern will be advised of the outcome of the investigation. If an individual is not satisfied with the response received and any subsequent action taken, they should put their concerns in writing to the Superintendent who will arrange any further investigation as he/she deems appropriate. The Superintendent will send a written response to the individual concerned.

Reporting Suspicions

If fraud or corruption is suspected, then the matter should be reported without delay. Employees should report suspicions to a supervisor at the outset and retain all evidence. However, if it is thought the supervisor might be involved or there may be a conflict of interest, the matter should be reported directly to a more senior administrator.

It is recognized that for some individuals, raising a concern under this procedure may be a difficult experience. All reported incidents will be investigated.

All reports will be dealt with in confidence, with staff being informed on a need to know basis only.

To ensure that this policy is adhered to, and to assure staff that the concern will be taken seriously, the District will:

- ♦ not allow the person raising the concern to be retaliated against for doing so;
- ♦ treat retaliation against whistle blowers as a serious matter leading to disciplinary action that may include dismissal;
- ♦ not attempt to conceal evidence of poor or unacceptable practice;
- ♦ take disciplinary action if an employee destroys or conceals evidence of poor or unacceptable practice or misconduct; and
- ♦ ensure confidentiality clauses in employment contracts do not restrict, forbid or penalize whistle blowing.

Overall Objectives

The District's overall objective is to identify and maintain good practices, address weaknesses in current processes and introduce improved systems for the management of those processes. The end result is that of minimizing the amount of fraud and corruption which may occur within the system and significantly reduce the opportunity for fraud or corruption to occur in the future.

11/26/09

FINANCIAL OPERATION

Policy 3110
(Regulation 3110)

Financial Management

Preparation of Budget

Each year the Superintendent of Schools is required to submit to the Board of Education for their consideration a detailed annual budget showing estimates of income and expenditures for the ensuing fiscal year. The Board may accept, reject, modify or request revisions of the budget, but will adopt a budget by June 30, according to statutory provisions.

By law the approved estimated expenditures for each fund cannot exceed the estimated revenues to be received plus the unencumbered beginning cash balance for the fund. After the beginning of the fiscal year, the Superintendent shall review with the Board the adopted budget in relationship to the beginning cash balances for each fund.

ADOPTED 7-20-98

FINANCIAL OPERATION

Policy 3111

Financial Management

Fiscal Year

The fiscal year begins annually on the first day of July and ends on the thirtieth day of the following June.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3112

Financial Management

Budget Implementation and Transfer

The annual budget governs the expenditures and obligation of all funds for the District. The Superintendent/designee will establish procedures for funds management and reporting.

No funds may be spent which are not authorized by the annual budget. If an unanticipated need arises, the Board may approve the Superintendent's recommendation to (1) appropriate an amount to cover a needed expenditure from unencumbered budget surplus from the proper fund, or (2) revise the budget to transfer funds from one account to another as permitted by state statutes and DESE regulations.

The Superintendent or Finance Administrator will prepare a monthly statement to account for each month's expenditures and the total spend out to date for the fiscal year. The monthly statement will include all receipts and remaining balances for each fund account.

ADOPTED 9-19-01

Aug 01

Financial Management**District Fund Accounts**

The District will maintain the following funds for the accounting of District moneys: teachers' fund, incidental fund, capital projects fund and debt service fund. The treasurer of the District will open and maintain an account for each fund. These funds are denoted for state reporting purposes as: General Fund, Fund 1 – comprised of the Incidental; Fund 2 – the Special Revenue Fund, comprised of the Teachers' Fund; Fund 3 – The Debt Service Fund; and Fund 4 – the Capital Projects Fund.

All sums received from the county school fund and all sums derived from taxation for teachers' wages will be credited to the teachers' fund. All tuition fees, state moneys received under §162.975 and 163.031, and all other sums received from the state except as otherwise provided in this policy will be credited to the teachers' fund and incidental funds at the discretion of the Board. The portion of state aid received by the District pursuant to §163.031, which is included in the operating levy for school purposes, will be credited to the debt service or capital projects funds. Sums received from other Districts for transportation and sums received from taxation for incidental expenses will be credited to the incidental fund. All sums received from taxation or received from any other source for the erection of buildings, building additions, remodeling, or reconstruction, furnishing, for the payment of lease purchase obligations, for purchase of real estate, for sale of real estate or personal property, from insurance, from sale of bonds other than refunding bonds will be credited to the capital projects fund.

Sums received from taxation for the retirement of bonds and the payment of interest on bonds will be credited to the debt service fund. Receipts from delinquent taxes will be credited to individual funds on the same basis as receipts from current taxes. However, where such distribution of receipts from delinquent taxes would affect the previous years' obligations, distribution to the various funds will be based on the levies for the years in which the obligations were incurred. All refunds will be credited to the fund from which the original expenditure was made. Sums donated to the District will be credited to the fund from which it can be expended to meet the purpose of the donation. Sums received from any other source will be credited to the fund designated by the Board.

UPDATED 1/26/09

Financial Management**GASB 54**

This Policy establishes guidelines to be used during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. The policy is based upon a long-term perspective with a commitment to keeping the District in a strong fiscal position that will allow it to better weather negative economic trends.

Background

Statement No. 54 of the Governmental Accounting Standards Board (GASB 54) establishes accounting and financial reporting standards for all governments that report governmental funds. It establishes criteria for classifying fund balances and clarifies definitions for governmental fund types.

GASB 54 establishes five fund balance categories: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable Fund Balance consists of funds that cannot be spent due to their form (e.g., inventories and prepaids) or funds that legally or contractually must be maintained intact.

Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority. Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

Assigned Fund Balance consists of funds that are set aside with the intent to be used for a specific purpose by the District's highest level of decision making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned Fund Balance consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

Actions Leading to Restricted, Committed, and Assigned Fund Balances

The Board of Education has the authority to set aside funds for a specific purpose. Commitments are authorized by the Board based on fund placement in the original adopted and later revised budget, as well as by the Board resolution. The passage of a resolution must take place prior to June 30th of the applicable fiscal year. If the actual amount of the commitment is not available by June 30th, the resolution must state the process of formula necessary to calculate the actual amount as soon as information is available.

Upon adoption of a budget where fund balance is used as a source to balance the budget, the Chief Financial Officer shall record the amount as Assigned Fund Balance.

The Board delegates the authority to assign amounts for specific purpose(s) to the Chief Financial Officer, Superintendent, or Business Manager.

Order of Spending

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

Minimum Unrestricted Fund Balance

The Board recognizes that the maintenance of a fund balance is essential to provide for unforeseen expenses or emergencies and to provide working capital in the first several months of the fiscal year, until sufficient revenues are available to fund operations. By maintaining an appropriate fund balance, the District can avoid excessive short term borrowing and the concomitant interest expense, accumulate sufficient assets to make designated purchases or cover unforeseen expenditure needs, and demonstrate financial stability necessary to preserve or enhance its bond rating, thereby lowering debt issuance costs.

The undesignated fund balance in the operating funds will be maintained at a level sufficient to provide the resources required to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources. The District will strive to maintain a minimum undesignated balance in its operating funds equal to a range of 12-20% of its prior year operating expenditures.

As part of the annual budget process, the Chief Financial Officer, Superintendent, or Business Manager will estimate the surplus or deficit for the current year and prepare a projection of the year-end undesignated fund balance. Such projection will include an analysis of trends in fund balance levels on an historical and future projection basis. Any anticipated balance in excess of the minimum undesignated general fund balance may be budgeted at the discretion of the Board.

Any such action must also provide for necessary appropriations to restore the undesignated general fund balance to the minimum balance.

If fund balances decline below the 12% floor, the Board will develop a plan to replenish the fund balance to the established minimum level within two years.

This policy will be reviewed by the Finance Committee every three years following adoption or sooner at the direction of the Board.

Example**Board Resolution- Commitments**

It is hereby resolved, ordered, and directed that the District commit the following portions of its June 30th, 20XX (August 31, 20XX) General Fund unassigned fund balance.

- Be it resolved that \$XXX,XXX be committed for future capital expenditures.
- Be it resolved that \$XXX,XXX be committed for future contributions to the District's Worker's Compensation Insured Plan.
- Be it resolved that \$XXX,XXX be committed for funding of future payments to employees for compensated absences.
- Be it resolved that \$XXX,XXX be committed to contribute to the funding of operating costs of future school openings.

APPROVED

8.21.12

FINANCIAL OPERATION

Policy 3120

Financial Management

Petty Cash

A petty cash fund is a small amount of money (\$100.00 or less) that is managed by an administrator in order to purchase small amounts of supplies or cover unanticipated small expenses, such as materials or refreshments for emergency meetings or unexpected guests. The petty cash fund may have been obtained with a requisition to the District Finance Office, raised by a P.T.O., or from a student or community fund-raising event. The designated administrator is accountable for this fund. Funds collected in excess of \$100.00 must be processed immediately for proper deposit and are not to be held at a school site.

The petty cash fund must be used for school purposes (purchase of emergency supplies) and must be documented with receipts. If an administrator accrues out-of-pocket expenses, a requisition for reimbursement should be submitted on a monthly basis with back-up information and receipts.

Teachers may not make petty cash purchases without the prior approval of an administrator.

Petty cash should not be used as a short cut to obtain supplies except in an emergency or in cases where very small items make it impractical to order through channels.

ADOPTED 7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3130

Financial Management

State and Federal Projects

With Board of Education approval, the School District may operate various specially funded programs that must be administered in accordance with particular federal and/or state laws, regulations and other conditions for use of such funds.

The Superintendent shall be the designated District official responsible for coordinating funded projects, administering programs and ensuring that the various departments operating these programs do so within the guidelines of the particular program. The administration shall keep accurate and separate records, as required by state and federal programs, to enable the District to verify program compliance and success. The Superintendent shall keep the Board fully informed.

Staff involvement will be solicited by the administration in the planning, implementation and evaluation of programs authorized and approved within the guidelines of Title I of the Improving American Schools Act of 1994 and/or other significant legislative enactments. The vehicle for such involvement shall be determined by the administration, with the approval of the Board of Education.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Financial Management

Banking Services

Policy 3140
(Regulation 3140)
(Form 3140)

The Board of Education has the option of annually selecting District funds depositaries or the Board may enter into a contract of one to five years duration for the deposit of District funds.

When depositaries are to be selected, the District will receive sealed proposals from banking institutions in the county in which the District is located or in adjoining counties.

In order to open new bank accounts in the District's name, the Superintendent and the Treasurer must sign the account authorization. Wire transfers of funds into District accounts must be authorized in writing by the Superintendent and Treasurer or other individual authorized by the Board. In both instances, the Superintendent may appoint a designee to sign for creation of new accounts and for wire transfers. However, such appointment must be in writing.

UPDATED 6-28-6

FINANCIAL OPERATION

Policy 3150

Financial Management

Payment Procedures

All money received by the District shall be disbursed only for the purposes for which they are levied, collected or received.

The Board will give final approval to all bills paid. Payment of bills shall be authorized by the Superintendent/designee, only after verification of delivery and satisfaction by the department or staff receiving the item(s). No payment for goods or services shall be made unless both an itemized invoice showing the name of the person or firm to whom payment is due is presented, and a receiving document bearing the signature of an authorized school employee is on file. Furthermore, the invoice must have been issued in response to an approved purchase order.

The Superintendent/designee shall audit all claims, and shall submit all invoices to the Board for approval and authorization for payment. However, payments for materials or services which are necessary for normal business operations which do not individually exceed \$500 or exceed an aggregate monthly amount of \$10,000 may be authorized by the Superintendent/designee. In addition, if cash discount or avoidance of financial penalty can be achieved, the Superintendent/designee is authorized to issue a check. In all such cases, the identity and amounts of such payments will be provided to the Board at the next regular meeting following payment. The Board will consider such payments and ratify the action taken.

ADOPTED

6/26/01

Apr 01

FINANCIAL OPERATION

Policy 3155
(Regulation 3155)

Financial Management

Payments from Federal Awards/Cash Management

Payments from Federal awards will minimize the time elapsing between transfer of funds from the Federal pass through entity and the disbursement of funds by the District to vendor recipients regardless of whether the payment is made by electronic transfer, or issuance/redemption of checks, warrants or payments. The District will make timely payment to contractors consistent with the terms of each specific contract. Advance payments of Federal funds will be deposited and maintained in insured interest-bearing accounts. Interest amounts of up to \$500.00 per school year will be maintained by the District to be utilized for administrative purposes. The Districts cash management of Federal funds will be consistent with requirements §200.305 of the Code of Federal Regulations.

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ADOPTED
2/23/17

Financial Management**Investments of District Funds**

The Board has an obligation to the citizens of the District to direct the management of District funds. The primary objective of the District's investment plan will be legality, safety, liquidity, yield and the provision of a capital base for future needs. In the management of such funds, the District adheres to the "prudent investor" rule. Investments will be made with judgment and care, under the circumstances, which persons of prudence, discretion and intelligence exercise in the management of their own investments. Funds will be managed for investment, not for speculation considering the safety of the funds invested and the probable income to be derived. District personnel, including Board members, who are involved in the investment of District funds, will not engage in any personal business activity which could:

1. Impair their ability to make impartial decisions concerning investment of District funds;
2. Conflict with proper execution of the District's investment program; or
3. Create an appearance of impropriety.

District employees and directors involved in investment of District funds will disclose any material interests in financial institutions in which they conduct business. Such disclosure will include, but not be limited to any personal financial/investment positions that could be related to the performance of the District's investment portfolio. Similarly, District employees and directors involved in investment of District funds will not engage in personal investment transactions with the same individual with whom business is conducted on behalf of the District.

Investments will be made through banks or securities dealers who have been approved by the Investment Committee of the State Treasurer's Office. Such banks and securities dealers will have been subjected to an appropriate investigation by the staff of the State Treasurer's Office. This investigation will include, among other things, a written review of the firm's financial statements and the background of the sales representatives. All approved dealers must be fully licensed and registered FINRA Brokers/Dealers or exempt banks. Criteria used to select securities dealers include:

1. Financial strength and capital adequacy of firm;
2. Services provided by firm;
3. Research service available;
4. Resume, reputation, and qualifications of sales representatives.

ADOPTED
9-23-15

5. Due diligence and firm references; and

6. State government expertise.

The performance goals of the District's active investment management program, over time, should produce book yields which are greater than yields from low risk passive investments. In analyzing the results of the District's investment program, the District will calculate the book yield and total rate of return on District funds compared to the appropriate security market indexes.

The Superintendent/designee will direct the preparation of quarterly investment reports providing a summary of the District's current investment portfolio and all transactions executed since the last report.

Such investment reports will be prepared by the appropriate bank(s) or security dealers for review by the Board and the Superintendent. Investment reports are considered to be public records and will be made accessible to the public.

Criteria and procedures implementing the District's investment policy have been approved by the Board and are contained in Regulation 3160.

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FINANCIAL OPERATION

Policy 3165
(Regulation 3165)

Procurement Standards – Federal Contracts

The District will comply with all applicable regulations issued by the Office of the Secretary – Education related to procurement activities in federal related contracts. These provisions include, but are not limited to, procurement, disposition of unused supplies, copyrights and debarred or suspended parties. Prior to purchases exceeding \$25,000, the District will review the current “Excluded Parties List” to ensure that the successful vendor is not debarred or suspended. The District will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Detailed requirements for compliance are incorporated into Regulation 3165.

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APPROVED

04-15-21

Procurement Standards – Federal Contracts**Procurement Standards – Federal Contracts****Conflict of Interest**

The District maintains a written code of standards of conduct which governs the performance of District employees who may be engaged in the award and administration of contracts. These standards will include a prohibition against employees who are involved in the selection, award or administration of a contract supported by Federal funds, if a conflict of interest, real or apparent, would be involved.

A conflict of interest would arise if a District board member or employee, any member of their family, their partner, or an organization which employs or is about to employ any of the parties named in this paragraph, has a financial or other interest in the firm selected for the award.

Neither District board members, nor employees will accept gratuities, favors, or anything of monetary value from contractors, potential contractors or parties to sub-agreements. This rule will not apply to gifts of less than ten dollars (\$10.00), or is an unsolicited item of nominal intrinsic value. Violations of these conflict of interest provisions will result in disciplinary action up to and including termination for employees, and up to and including public sanction of a violating Board member.

Avoidance of Unnecessary/Duplicate Purchase

The District will review proposed procurements to avoid purchases of unnecessary or duplicative items. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. Where appropriate to foster great economy and efficiency, the District will consider entering into state and local intergovernmental agreements for procurement, or lease of common goods and services. Moreover where appropriate, the District will use Federal excess and surplus property in lieu of purchasing new equipment and property.

The District will, when appropriate, consider and utilize value engineering clauses in contracts for construction projects for cost reductions. In making awards, the District will select contractors to successfully perform under the terms of the procurement. In analyzing the suitability of contractors, consideration will be given to contractor integrity, compliance with public policy, past performances, as well as, financial and technical services.

APPROVED

04-15-21

Recordkeeping

The District will maintain records sufficient to detail the significant history of a procurement. These records will include, but not be limited to, the following:

- rationale for the method of procurement;
- selection of contract type;
- contractor selection/rejection; and
- basis for the contract price.

Time and Material Type Contracts

The District will use time and material contracts only after a determination has been made that no other contract is suitable and, if the contract includes a ceiling price, which the contractor may exceed only at its own risk.

Contractor Compliance Resolution

The District is responsible for resolution and settlement of all contractual and administrative issues arising out of Federal related procurements including, but not limited to, source evaluation, protests, disputes and claims. Violations of law will be referred to the local, state or federal authority having jurisdiction.

The District will maintain procedures to handle and resolve procurement disputes, including provisions to share information regarding the protest to the awarding agency.

Competition for Contract Awards

The District will conduct all procurement transactions in a manner providing full and open competition. In doing so, the District will avoid:

- placing unreasonable requirements on firms seeking to qualify to do business;
- requiring unnecessary experience or excessive bonding;
- noncompetitive pricing practices among bidders;
- noncompetitive awards to consultants that are retainer contracts;
- organizational conflicts of interest;
- specifying only a brand name product instead of allowing an equal product to be offered; and
- any arbitrary actions in the procurement process.

The District will avoid in such Federal procurements administratively imposed in – state or local geographical preferences in the evaluation of bids or proposals, except where federal law expressly mandates or encourages such preferences. However, when contracting for architectural and engineering services, geographic locations may be a selection criteria provided that the use of such criteria leaves a sufficient number of qualified firms to compete for the contract.

Procedures for Procurement Transactions

The District will ensure a clear and accurate description of the technical requirements for the material, product or service to be provided under federally related procurements. The description may include a statement of the qualitative nature of the material, product or service to be procured and when appropriate will set forth those minimum essential characteristics and standards to which it need conform in order to satisfy the intended use. Where appropriate, a "brand name or equal" description may be used to define the performance or other requirements of a procurement.

The District will ensure that all prequalified lists of persons, firms, or products are current and include enough qualified sources to ensure maximum open and free competition. Potential bidders will not be precluded from qualifying during the solicitations process. Prior to purchases exceeding \$25,000, the District will review the current "Excluded Parties List" to ensure that the successful vendor is not debarred or suspended.

Methods of Procurement Affecting

Micro Purchases

Where small purchases under Ten Thousand Dollars (\$10,000.00) price quotations will be obtained from an adequate number of qualified sources. Micro Purchases will be distributed equally among qualified vendors.

Small Purchases

The District will utilize the following procurement procedures for purchases of \$250,000 or less. The District where feasible will obtain at least three (3) bids or quotes for each such purchase. The District will maintain documentation for all "small purchases" including the small purchase item; identity of quotes/bids; amount of such bid/quotes; and the date of purchase.

Sealed Bids

When procurement is by sealed bid (formal advertising), bids are publically solicited and a firm-fixed price contract is awarded, the award will be made to the responsible bidder whose bid, conforming with all material terms and conditions of the invitation to bid, is the lowest in price. The sealed bid procurement method will be utilized for all purchases in excess of \$250,000. The sealed bid method is preferred for construction if the following conditions apply:

- a complete adequate and realistic specification is available;
- two or more responsible bidders are willing and able to compete for the project;
- the procurement lends itself to a firm price contract; and
- selection of the successful bidder can be made principally on the basis of lowest price.

If sealed bids are used, the following requirements apply:

- invitation to bid will be publically advertised and bids will be solicited from an adequate number of known suppliers providing them sufficient time to bid;
- invitation to bid will define the items or services to be bid;
- all bids will be publically opened at a time and place described on the invitation to bid;
- firm fixed-price contract award is made to the lowest responsive and responsible bidder; and
- any and all bids may be rejected when there is a sound documented reason.

Competitive Proposal

The District will utilize a competitive proposal method when conditions are not appropriate for the use of sealed bids. This method will be utilized where either a firm-fixed price is capped or cost reimbursement contract is available. When this method is used, the following requirements will apply:

- requests for proposals will be publicized along with evaluation factors and their relative importance;
- proposals will be solicited from any adequate number of qualified sources;
- a clear method of technical evaluations of the proposals and selective of any awardee will be utilized;
- awards will be made to the firm whose proposal is most advantageous to the program with price and other factors considered; and
- this method may be used for selection of architectural and engineering firms where qualifications are evaluated and the most qualified firm is selected subject to negotiations; and
- more than one contractor/vendor is submitted an offer.

Noncompetitive Sole Source

Where appropriate, procurement may be made by a proposal from any one source or after solicitation, competition is deemed inadequate. This method will be used when small purchase procedures, sealed bid, or competitive proposals are not feasible and one of the following applies:

- item is available from only one source, or there is an emergency situation;
- using the services of the Small Business Administration and the Minority Business Development Agency;
- requiring the prime contractor, where subcontracts are to be left to utilize the steps set out above sole source purchases will be well documented concerning the necessity for all sole source purchases.

Contract Cost and Price

The District will perform a cost or price analysis in connection with every procurement action. At a minimum, the District will make independent estimates before receiving bids or proposals. A cost analysis will be required when adequate price competition is lacking and for sole source procurements, unless price reasonableness can be established on the basis of catalog or mailed price. The District will negotiate profit as a separate element of the process for each contract.

- public emergency will not permit a delay in competitive solicitation; and
- the awarding Federal agency authorizes this method.

Contracting with Small and Minority Firms, Women's Business Enterprise and Labor Surplus Area Firms

The District will take all necessary steps to assure participation of such firms. Affirmative steps will include:

- placing such firm on a solicitation list;
- assuring that such firms are solicited whenever possible;
- when economically feasible dividing total requirements into smaller contracts or quantities; and
- when economically feasible establishing delivery requests which encourage participation for such firms in which there is no price competition and small cases where cost analysis is performed. Consideration will be given to the complexity of the work, the risk to be borne, contractor's investment, the amount of subcontracting, quality of contractors' work on similar work.

Costs or prices on estimated costs will be allowable only to the extent that costs incurred or cost estimates are consistent with Federal cost principals. The District will not use a cost plus a percentage of cost and a percentage of construction cost method.

Agency Review

The District will make available, upon request of the Federal agency, all documents, including but not limited to, procurement specifications; invitations to bid; procurement procedures; pre-award documents.

Bidding Requirements

The District will require bonding for all construction or facility improvements ensuring that the awarding Federal agency's interests are adequately protected as provided in federal regulations.

Contract Provisions

The District's contracts under the Regulation will include:

- administrative, contractual or legal remedies for contractor breaches and provide appropriate remedies for such breaches;
- compliance with Executive Order (EO 11246);
- compliance with Copeland Anti-Kickback Act;
- compliance with Davis Bacon Act;
- compliance with § 103 and 107 of the Contract Work Hours and Safety Standards Act;
- notice of awarding agency's requirements and regulations pertaining to reporting;
- notice of awarding agency's requirements and regulations pertaining to patent rights;
- notice of awarding agency's requirements and regulations relating to copyrights and rights in data;
- access to contractor's book documents, papers and records which are pertinent to the contract;
- compliance with all applicable standards, order or requirements under §306 of the Clean Air Act, §508 of the Clean Water Act (EO 11738) and Environmental Protection Act Regulations; and
- mandatory standards and policies relating to emergency efficiency contained in the state emergency conversation plan.

Background Checks

All District vendors shall conduct criminal record and sexual offender background checks on each of its employees who, under a procurement contract, may provide services on District property or at District events. Copies of such record requests will be provided to the District upon request.

Faith Based Organizations

Faith based organizations are eligible to contract with those Districts on federally related contracts on the same basis as any other private organization. In such contracting, the District will not discriminate for or against an organization based on the organization's religious character or affiliation. However, private organizations that engage in inherently religious activities, such as religious workshops, instruction or proselytization must offer these services separately in a time or location separate from any programs or services supported by a federally related District contract.

A faith based organization that contracts with the District on a federally related contract may retain its independence, autonomy, right of expression, religious character and authority over its governance.

FINANCIAL OPERATION

Policy 3165
(Regulation 3165)

Procurement Standards – Federal Contracts

The District will comply with all applicable regulations issued by the Office of the Secretary – Education related to procurement activities in federal related contracts. These provisions include, but are not limited to, procurement, disposition of unused supplies, copyrights and debarred or suspended parties. The District will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Detailed requirements for compliance are incorporated into Regulation 3165.

APPROVED

8.21.12

FINANCIAL OPERATION

Policy 3166
(Regulation 3166)

Financial Management

Federal Awards – Allowable Costs

The District assumes responsibility for ensuring that Federal funds have been expended and are accounted for consistent with Federal program regulations and approved applications. Costs are generally categorized as either direct or indirect. All coding of direct and indirect costs will generally follow the Missouri School Finance Accounting Manual.

Direct Costs

Direct costs include salaries, fringe benefits, purchased services, supplies and equipment. Direct charging of administrative or clerical staff costs will be appropriate only if all of the following conditions are met:

1. Such costs are integral to a project or activity.
2. Individuals involved can be specifically identified with the project or activity.
3. Such costs are explicitly included in the budget or have the prior written approval of the Federal Award Agency.
4. The costs are not recovered as an indirect cost.
5. These conditions may be met using a job description along with time and effort documentation.

Indirect Costs

Indirect costs are those which are not readily identified with the activities funded by the Federal grant or contract, but are nevertheless incurred for the joint benefit of these activities and other activities and programs of the District. Accounting, auditing, personnel, budgeting, purchasing and operation/maintenance of plant are examples of services which typically benefit several activities and programs for which appropriate costs may be attributed to the Federal program by means of an indirect cost allocation plan. The indirect rate cost used in calculating the indirect cost depends on whether the grant is a restricted or unrestricted.

Documentation of Personnel Costs

Charges for salaries and wages will be based upon records that reflect the work performed. Records are required for all employees, including teachers, paraprofessionals, administrators and other staff paid with Federal funds. These records will document the time and effort such individuals spend within the program. The portion of the federally paid salary will be reflective of the actual activity, not budgeted, the individuals has contributed for the specific Federal program. Time and effort reporting is required when any part of an individual's salary is charged to a Federal program or used as a match for a Federal program.

ADOPTED
2/23/17

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FINANCIAL OPERATION

Policy 3170

Financial Management

Purchases By and/or Solicitation of School Staff

Conflict of Interest

The School District will not purchase supplies or materials from a staff member of the School District, nor from a member of the household of the staff member, except in emergency situations as determined by the Superintendent of Schools. Neither will the District purchase supplies, materials or services from a member of the Board of Education or from a member of his/her household, or from a firm in which he/she holds a major interest.

Endorsements

Employees of the District will not endorse products or services in such a manner that will identify the employee as an employee of the School District.

Procurement Activities

In any purchasing activities all employees shall refrain from soliciting, discourage the offer of, and decline gifts if offered by any vendor wishing to do business with, or who is doing business with the School District. Instead of making an offer of gifts, the vendor should be encouraged to discount the price of the goods to the school.

Solicitation/Distribution

The advertising of sale or distribution of any goods or service on school property, for any school activity, shall have prior approval from the building principal or Superintendent. This includes but is not limited to: school personnel, students, parents/guardians, relatives, general public and commercial businesses.

Solicitations of School Staff

Agents, solicitors, and salespersons will be denied the privilege of seeing the school staff during the school day except with permission of the administration.

ADOPTED

7-20-98

Jan 98

Financial Operations**Procurement of Professional Services**

The Board of Education and the Administrators recognize that some professional services are necessary on certain occasions to assist in the governance of the District. These services include attorneys to provide legal counsel with specific expertise regarding education policy matters, architects, certified public accountants to annually audit the financial statements of the District and to provide answers to questions that arise during the course of the fiscal year. Similarly, it may be necessary to obtain financial advisory services to monitor the long range debt objectives of the District, as well as, bond counsel to address questions that arise with existing debt and various reports occasionally sought by the Missouri State Auditor and the United States Treasury branch of Internal Revenue Service and others.

While in some instances it may be possible to seek bids for the financial services and bond counsel each time a need arises, there are also numerous benefits to maintaining longer term relationships with specific professionals. Having a satisfactory relationship with a professional service provider includes fair pricing, timely delivery, dependable and sound advice concerning areas of expertise, a personality match with administrators and board members and numerous other factors. As long as the board members and administrators are comfortable with the quality of services provided, it is not essential that annual bidding occur merely to drive prices to their lowest level. By losing historical memory of any professional service provider, the District may in the long run incur more expense for the new firm to educate their representatives. On other occasions if the administrator expresses belief that service quality is slipping, expenses and fees are escalating at unacceptable levels, or any other non favorable working situation is developing, nothing in this policy is intended to preclude seeking proposals from other vendors offering similar services. The Board of Education and Administration believes that the collective expertise within the District is sufficient to judge if and when seeking alternative providers is prudent.

8-21-12

FINANCIAL OPERATION

Policy 3230
(Regulation 3230)
(Form 3230)

Payroll

Expenditures for Certificated Staff

The Board shall expend for tuition, teacher retirement, and compensation for certificated staff an amount that reflects the requirements as outlined in state statute and in Department of Elementary and Secondary Education regulations.

ADOPTED 11/19/03

FINANCIAL OPERATION

Policy 3310

Revenue

Revenue from Tax Sources

Local Tax Sources

In the process of preparing the annual budget, the Superintendent or Finance Administrator shall estimate the amount of actual local tax revenue anticipated to be raised, the rate required to produce the amount, and the rate needed to support the principal and interest payment on bonded indebtedness and general financial obligations of the District. The Superintendent shall recommend the appropriate tax rate to the Board of Education for approval.

If required, the Board shall submit to the voters a proposition for increase in the tax rate beyond the current approved level if it is deemed necessary to obtain increased revenue to meet projected District expenses. State law and Article X, Section 11C of the Missouri Constitution shall govern tax election procedures.

State Tax Sources

All state funds will be accepted for the operation of the District as provided by entitlement by law and through regulations of the Missouri State Board of Education or Missouri Department of Elementary and Secondary Education.

The Superintendent or District Finance Administrator is responsible for filing all required reports and forms to obtain state funds to which the District is entitled to receive according to developed rules and regulations.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3320
(Regulation 3320)

Revenue

Taxing Authority/Tax Rate Hearing

The Board will annually prepare an estimate of the amount of money to be raised by taxation for the ensuing school year, the tax rate required to produce the amount and the rate necessary to sustain the District's schools for the ensuing year, to meet principal and interest payments on the bonded debt of the District, and provide funds to meet other legitimate District purposes. The District will forward the estimate to the county clerk on or before September 1.

ADOPTED 8-17-98

Aug 98

FINANCIAL OPERATION

Policy 3330
(Regulation 3330)

Revenue

Bonded Indebtedness

The School Board may issue bonds for any District expenditures as prescribed in state law. Funds raised through the sale of bonds may be expended only for the purpose set forth in the election which authorized the sale.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3331

Revenue

Borrowed Funds

State law authorizes the Board to borrow funds in anticipation of the collection of taxes in order to insure continuity in the operations of the District. The School Board must approve in advance all applications for loan indebtedness. The amount borrowed and the repayment of notes payable shall be within guidelines as established by state law and rules and regulations of the Missouri Department of Elementary and Secondary Education.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3340

Revenue

Building Use

All receipts from fees for the use of school property by individuals or community groups shall be deposited in the General Revenue fund.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3350

Revenue

Student Fees and Fines

Fees

No fees shall be charged for enrollment, supplies, equipment or costs attributable to courses of study which are offered for credit. Students shall be required to pay for materials which are used in constructing projects or other items which are to be removed from the school and are thereby the property of the student. All projects constructed at school with materials provided by the school are the property of the District and therefore shall not be removed from school unless approved by the appropriate administrator.

Students may be charged fees or admission for participation in activities which are voluntary, such as attendance at school athletic or other co-curricular events. The fee schedule for such events shall be submitted to the Board of Education for approval annually.

Fines

Every effort shall be made to protect the financial resources of the District by collecting all payment for student fines, lost or damaged textbooks, damage or vandalism to school property. Collected fines shall be deposited in the appropriate account in order to charge replacement costs for books, materials, equipment or repaired property to the appropriate budget item.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3360

Revenue

Tuition

Except when waived, tuition must be paid by non-resident students of the District. The annual rate will be determined by the Board of Education for individuals who wish to attend. Permission to enroll will be granted after reasons for requesting admission have been reviewed and after it has been determined that class enrollments are not excessive.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3370

Revenue

Fund Raising

All fund raising activities and planning for fund raising shall be done after school hours unless prior permission is received from the building principal.

Any fund raising activity which involves student or staff personnel of the school system shall require the approval of the unit principal and Superintendent of Schools. Involvement may be defined as: any activity which mentions any student or students as being students of the school in advertisements or any activity which mentions any school organization or any oral mention of students or organizations.

ADOPTED 7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3380

Revenue

Sale/Lease of Real Property

The Board of Education may vote to sell or lease real property, land, and/or buildings which are no longer needed by the District and which are located within the boundaries of the District. Similarly, the Board may vote to sell such real property located outside of the District's boundaries.

ADOPTED 4-19-99

Revenue**Purchase Lease of Real Estate**

The Board may enter into agreements in order to provide for the acquisition, construction, improvement, extension, repair, remodeling, renovation and financing of sites, buildings, facilities, furnishings and equipment for the use of the District for educational purposes.

Lease

The Board may approve a lease of sites, buildings, facilities, furnishings and equipment.

The Board may also sell or lease at fair market value any existing sites, buildings and facilities in order to acquire, construct, improve, extend, repair, remodel, renovate, furnish and equip buildings and lease back or purchase such sites, provided that any lease back to the District is not for more than one (1) year in length and will not provide for more than twenty-five (25) successive options to renew the lease under the same conditions and provided there is an agreement to convey or sell the sites, buildings or facilities and attendance improvements back to the District with clear title at the time payments have been completed.

The Board may make such rental payments under such leases provided that in no event shall the District become indebted in an amount in any year exceeding the income and revenue of the District for such year, plus any unencumbered balances from previous years.

Notice that the Board is considering such project shall be given publication in a newspaper published within the county in which all or part of the District is located which has general circulation in the area once a week for two (2) consecutive weeks, the last publication to be at least seven (7) days prior to the date of the Board meeting at which the project will be concluded and acted upon.

ADOPTED
8.19.14

FINANCIAL OPERATION

Policy 3390

Revenue

Sale/Lease of Personal Property

Whenever the District has personal property (i.e., desks, file cabinets, materials, equipment) which the District no longer needs, a majority of the Board may vote to sell or lease such surplus property. Surplus personal property may be sold or leased to a city, state agency, municipal corporation, or other governmental subdivision of the state which is located within the boundaries of the District for public purposes at a mutually agreed price and upon notice to the public. In the alternative, the district may sell or lease such surplus personal property to the highest bidder. Public notice of the sale or auction of surplus personal property will be published once a week for two consecutive weeks in a general circulation newspaper published within the county in which the District is located. The sale itself will occur as scheduled by the Board at least seven (7) days after the final published notice. The proceeds from the sale or lease of surplus personal property will be placed in the capital projects fund.

ADOPTED 4-19-99

FINANCIAL OPERATION

Policy 3410

Accounting and Reporting

Accounting System

The District will adhere to the accounting guidelines of the Missouri Department of Elementary and Secondary Education.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3420

Accounting and Reporting

Annual Report

The District annually publishes a statement of all receipts of school moneys, when and from what source derived, and all expenditures and the account from which expenditures were made. This statement will also include the present indebtedness and the nature of such indebtedness as well as the rate of taxation for all purposes for the year. Such statement will be attested by the president and secretary of the Board and forwarded to the State Board of Education. This financial statement will be published on or by September 1, in a newspaper located within the District or generally circulated within the District.

ADOPTED

8-17-98

Aug 98

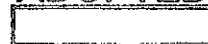
Accounting and Reporting**Accountability Portal**

By September 1, 2019, the District will develop, maintain and make publically available, on its website, a researchable accountability portal containing an expenditure and revenue document. The document will detail actual income, expenditures and disbursements for the current calendar or fiscal year. The District's financial accounting software will detail actual year-to-date income; actual year-to-date and expenditures; and detail the year-to-date check register. The data may be in the form of a searchable Word, Excel or PDF document or provide a link to a database the District may have. Alternatively, the District may provide on its website a direct link to the Department of Elementary and Secondary Education's (DESE) website which has detailed financial and budgetary information about the District.

The District's accountability portal will contain only information that is a public record and not confidential or otherwise protected by state or federal law. The District will not post online any personal information relating to payroll including but not limited to payroll deductions, payroll contributions, or any other information that is confidential or statutorily protected. As provided elsewhere, employee contracts are public documents and are subject to Sunshine Law requests.

The financial data contained in the District's accountability portal will be updated at least quarterly. The District will archive the financial data for a minimum of ten (10) years. The archived financial data will remain accessible and searchable during this period.

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ADOPTED


FINANCIAL OPERATION

Policy 3430

Accounting and Reporting

Authorized Signatures

The School Board president and treasurer shall sign all checks issued by the District. According to state statutes, if approved by the Board of Education, facsimile signatures may be printed on District checks.

ADOPTED 7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3440
(Regulation 3440)

Accounting and Reporting

Travel and Reimbursement

It is the policy of the Board to pay reasonable travel expenses for those who travel on District business and whose trip has been approved in advance by the Superintendent/designee. These expenses include registration, transportation, meals, lodging, tolls, and parking charges. Expenses are reimbursed only when properly accounted for by an individual and approved by the Superintendent/designee.

Federal Award Programs

Travel costs, include transportation, lodging, meals, subsistence and related expenses incurred by employees who are in travel status on official business of the District. When District employees are traveling on Federal program business, automobile travel will be reimbursed at the then existing IRS mileage rate. The reasonable costs of lodging, meals and related costs will be fully reimbursed. However, such costs will be allowable only to the extent such costs do not exceed charges normally allowable by the District in its regular operations. With prior approval, commercial air travel is a covered expense, provided the air travel utilizes the least expensive, unrestricted accommodation class.

In addition, the District's Policy and Regulation 3440 are applicable except where District policies conflict with specific Federal Award Program guidelines set out herein. In such cases, Federal Award Program guidelines control.

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ADOPTED
2/23/17

FINANCIAL OPERATION

Policy 3450
(Regulation 3450)

Accounting and Reporting

Sales Tax

Pursuant to Chapter 144, RSMo., school districts are exempt from Missouri sales and use tax on purchases. All sellers or vendors shall be furnished a copy of the official State of Missouri Tax Exemption Letter by the Finance Office at the time a purchase order is delivered.

Administrators, teachers, or other school staff who have been authorized to make purchases for the District from local retail dealers will provide a copy of the tax-exempt letter to such dealer at time of purchase.

District representatives are prohibited from using the District tax-exempt letter for purchase of articles for personal use.

ADOPTED 5-16-00

Mar 00

FINANCIAL OPERATION

Policy 3460

Accounting Reporting

Student Attendance Accounting

An accurate accounting of student attendance, transportation and food service records shall be kept by the School District. The records will be in accordance with state law and appropriate regulations of the Missouri Department of Elementary and Secondary Education.

Building principals/supervisors will be responsible for maintaining student attendance accounting, and for submitting monthly reports of such records to the Superintendent, who will in turn be responsible for preparing reports to be submitted to the appropriate state offices.

ADOPTED

7-20-98

Jan 98

Accounting and Reporting**Average Daily Attendance – Early Childhood Program**

Pupils between the ages of three and five years old who are eligible for free and reduced lunches and who attend an early childhood education program that is operated by and in the District, or by a charter school that has declared itself a local educational agency providing full-day kindergarten and that meets standards established by the State Board of Education; or that is under contract with the District or charter school that has declared itself as a local educational agency and that meets standards established by the State Board of Education will be included in the District's calculation of average daily attendance. In the event that the District contracts with an early childhood program, the District will adhere to standards set by the State Board of Education.

If a pupil who is eligible for free and reduced price lunch leaves the early childhood program during the school year, the District may fill the vacant enrollment spot with another pupil between the ages of three and five who is also eligible for free and reduced lunch without affecting the District's calculation of average daily attendance.

The total number of three and five year olds included in the District's calculation of average daily attendance must not exceed four percent (4%) of the total number of students who are eligible for free and reduced lunch between the ages of three and eighteen who are included in the District's average daily attendance.

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ADOPTED
11.20.19

ACCOUNTING AND REPORTING

Policy 3480
(Regulation 3480)

Financial Disclosure

Bond Proceeds Reporting

The District's (i) preliminary and final official statements or offering circulars and any supplements or amendments as required by and defined in the "*Annual Financial Information*" will be filed with the Municipal Securities Rulemaking Board's ("*MSRB*") Electronic Municipal Market Access ("*EMMA*") system, and (ii) notices of Material Events or Reportable Events, and any other required or voluntary disclosures to EMMA will comply in all material respects with the federal securities laws.

ADOPTED
02/24/15

FINANCIAL OPERATION

Policy 3510

Auditing

Annual Audit

The books and accounts of the District will be audited by an independent certified public accountant in conformance with the prescribed standards and legal requirements. The Superintendent shall place before the Board the matter of the retaining of a certified public accountant. The auditor shall be selected by the Board. The audit shall be presented to the Board for examination.

The Superintendent will be responsible for filing copies of the audit with the proper authorities as prescribed by law.

ADOPTED

7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3610

School Activities Funds

Management

School activity funds are used to finance a program of student activities which supplement but do not take the place of the instructional programs provided by the Board of Education. Whether funds are collected from student contributions, club dues, special activities, or result from admissions to events or from other fund-raising activities, all funds will be under the jurisdiction of the Superintendent and building principals. The funds will be expended to benefit students currently enrolled in school. The management of the funds will be in accordance with good business practices, including sound budgetary and accounting procedures, and will be audited in the same manner as District funds. There shall be full disclosure of the sources and expenditures of all funds.

ADOPTED 7-20-98

Jan 98

FINANCIAL OPERATION

Policy 3710

Insurance

Insurance Programs

The Board of Education shall maintain adequate insurance programs to cover property, liability and personnel, within the requirements of good risk management and state law. The administration will recommend to the Board the kind and amount of property, casualty and/or liability insurance needed for the protection of the District property, employees, and Board of Education, and will administer insurance authorized by the Board, unless otherwise directed.

Every effort shall be made to obtain insurance at the most economical cost consistent with required service by obtaining quotations or by negotiations, whichever method is advantageous to the District.

The District will maintain coverage on all buildings and capital outlay contents. Coverage should be 100% without coinsurance if available.

Liability coverage should include comprehensive general liability, employee benefits liability, vehicular liability and school board legal liability. (See also Policy 3730 – Liability.)

ADOPTED 11-18-02

Oct 02

Insurance**Liability Insurance**

The Board recognizes that legal actions may be initiated from time to time against the School District as a corporate entity, against the Board as a whole, against Board members as individuals, or against District officers, employees or other agents. The Board also recognizes the contribution that is rendered to the students of the District by volunteers and is mindful that legal actions may be initiated against these individuals as well.

To protect members of the Board, District officers, employees, other agents and volunteers in the performance of their duties and responsibilities, the Board will defend its Board members, officers, employees, other agents and volunteers against claims for suits arising out of the performance of their duties and responsibilities. The Board shall indemnify its Board members, officers, employees, other agents and volunteers against all financial liability or loss resulting from such claims or suits including judgments for damages, attorney's fees, fines, court costs and amounts paid in settlement of such matters and reasonable and customary ancillary costs. Ancillary costs may include, for example, travel expenses incurred by Board members or others if they must appear for a case that is being tried outside the area.

The protection provided by this policy shall apply on an occurrence basis, which means that an individual will be indemnified even though he/she is no longer a member of the Board of Education or employed by or otherwise associated with the District when the lawsuit is filed.

The Board reserves the right, however, to deny representation and indemnification to any person covered by their Board policy in any instance in which there would be no coverage under the District applicable liability insurance program in which the claim "results in civil judgment or criminal conviction for" an intentional tort, immoral conduct, violation of any criminal or civil statute or violation of Board policy or regulations or administrative order or directive, whether verbal or written.

As a prerequisite to the right of legal representation and indemnification, any person who is served with legal notice commencing any action or proceeding against him/her for which indemnification is sought is required to immediately notify the Superintendent of the legal action after receipt of such legal notice.

The District shall maintain a program of self-insurance and/or insurance coverage sufficient to provide the legal defense and indemnification described in this policy. However, the District's purchase of liability insurance does not waive the District's entitlement to sovereign immunity.

ADOPTED

7/15/04

May 04

FINANCIAL SERVICES

Policy 3740

Insurance

Bond For All Employees

All employees of the School District shall be covered by a blanket bond in an amount to be determined by the Board of Education with premiums to be paid by the Board.

ADOPTED 7-20-98

Jan 98