

SOUTH TAMA COUNTY SCHOOLS

THE SOUTH TAMA COUNTY BOARD OF EDUCATION WILL
MEET IN SPECIAL SESSION ON
MONDAY, JANUARY 6, 2020, AT 5:30 P.M.
IN THE PROFESSIONAL LEARNING ROOM, PARTNERSHIP CENTER,
215 WEST 9TH STREET, TAMA, IOWA

AGENDA

- I. Call to Order Penny Tyynismaa, Board President
- II. Roll Call and Declaration of Quorum Mary Boege, Board Secretary
- III. Adoption of Agenda
- IV. Public Comment
- V. Action Items:
 - A. Personnel
 - B. Resolution Approving Revenue Purpose Statement.
 - C. Resolution Ordering an Election on the Issuance of \$20,800,000 General Obligation School Bonds and on a Revenue Purpose Statement to Authorize Expenditures from Revenue Received from the State Secure an Advanced Vision for Education Fund and Ordering Publication of a Notice of Election. Jared Smith
 - D. Approve SBRC Application for At-Risk and Drop Out Program Jared Smith
- VI. Discussion
 - A. School Vehicle Seat Belt Use Policy #702.06
 - B. Section 800
- VII. Adjournment to Worksession Full Board

(Harry Heilignethal from IASB)

Agenda Item V.A. Personnel

Contracts/Letters of Assignment

Name	Position	Date
Samantha Boldt	District-Wide Substitute	January 2020
Mark Groteluschen	H.S. Principal	2020-2021

Accept Retirement Request:

Name	Position	Date
Gaynelle Maschmann	H.S. Sp Ed Teacher	End of the 2019-20 school year
Sandra Jantzen	Food Service Director	End of the 2019-20 school year
Sue Husak	High School Cook	End of the 2019-20 school year

Superintendent's Recommendation:

Approve the personnel requests as presented pending licensure and completed background checks on new hires.

Agenda Item V.B. Resolution Approve Revenue Purpose Statement Resolution Ordering an Election on the Issuance of \$20,800,000 General Obligation School Bonds.

Superintendent's Recommendation:

Approve the Resolution Approving the Revenue Purpose Statement Resolution ordering an election on the issuance of \$20,800,000 General Obligation School Bonds.

Agenda Item V.C. Resolution on a Revenue Purpose Statement to Authorize Expenditures from Revenue Received from the State Secure an Advanced Vision for Education Fund, and Ordering Publication of a Notice of Election

Superintendent's Recommendation:

Approve the Resolution on a Revenue Purpose Statement to Authorize Expenditures from revenue received from the State Secure an Advanced Vision for Education Fund, and Order publication of a Notice of Election.

Agenda Item V.D. Approve SBRC Application for At-Risk and Drop Out Program

A motion should be made to approve the requested amount of modified supplemental amount (MSA) of \$185,298 associated with the at-risk and dropout prevention program.

Superintendent's Recommendation:

Approve the request of modified supplemental amount (MSA) of \$185,298 for the at-risk and dropout prevention program.

January 6, 2020

The Board of Directors of the South Tama County Community School District, in the Counties of Tama and Poweshiek, State of Iowa, met in _____ session, in the STC Partnership Center, 215 W. 9th Street, Tama, Iowa, at 5:30 P.M., on the above date. There were present President _____, in the chair, and the following named Board Members:

Absent: _____

Vacant: _____

The President of the Board called the meeting together and stated that a Petition had been filed purporting to be signed by eligible electors of the School District numbering at least 25% of those voting at the last election of school officials. The Petition requests that an election be called on the issuance of bonds in an amount not to exceed \$20,800,000, to provide funds to construct, build, furnish and equip a middle school addition to the existing high school building, including related remodeling, and to improve the site.

The President then submitted the Petition to the Board which examined the Petition. _____ qualified electors voted at the last election of school officials; the number of eligible electors who have signed the petition is _____.

The Superintendent then presented a Revenue Purpose Statement, which must be approved by the Board and submitted to the County Commissioner of Elections at least forty-six days prior to the date of the election.

Director _____ introduced the following Resolution and moved its adoption. Director _____ seconded the motion to adopt. The roll was called, and the vote was:

AYES: _____

NAYS: _____

The President declared the Resolution adopted as follows:

RESOLUTION APPROVING REVENUE PURPOSE STATEMENT; RESOLUTION ORDERING AN ELECTION ON THE ISSUANCE OF \$20,800,000 GENERAL OBLIGATION SCHOOL BONDS AND ON A REVENUE PURPOSE STATEMENT TO AUTHORIZE EXPENDITURES FROM REVENUE RECEIVED FROM THE STATE SECURE AN ADVANCED VISION FOR EDUCATION FUND, AND ORDERING THE PUBLICATION OF A NOTICE OF ELECTION

WHEREAS, there has been filed with the President of this Board a Petition of eligible electors of this School District asking that an election be called to submit the question of contracting indebtedness and issuing bonds of the School District in an amount not to exceed \$20,800,000 to provide funds to construct, build, furnish and equip a middle school addition to the existing high school building, including related remodeling, and to improve the site; and

WHEREAS, this Board has examined the Petition and finds that it is signed by eligible electors of the School District numbering at least 25% of those voting at the last election of school officials and that the purposes set forth in the petition cannot be accomplished within the limit of one and one-quarter percent of the assessed value of the taxable property in the School District; and

WHEREAS, the proposal for the issuance of Bonds or any other proposal incorporating any portion of it has not or will not have been submitted to the qualified electors of the School District for a period of at least six months prior to the date of election being called in these Proceedings;

WHEREAS, this Board has also determined it is necessary to submit at the special school election the proposition of authorizing the Board of Directors to levy annually a tax exceeding Two Dollars and Seventy Cents (\$2.70) per Thousand Dollars (\$1,000), but not exceeding Four Dollars and Five Cents (\$4.05) per Thousand Dollars (\$1,000) of the assessed value of the taxable property to pay the principal of and interest on bonded indebtedness; the Board acknowledges that approval of this proposition does not limit the source of payment of the Bonds and interest but only restricts the amount of Bonds which may be issued:

WHEREAS, the School District receives revenue from the State of Iowa Secure an Advanced Vision for Education Fund ("SAVE Revenue") pursuant to Iowa Code Section 423F.2, as amended; and

WHEREAS, by operation of law, the School District's current Revenue Purpose Statement governing the use of SAVE Revenue will expire on January 1, 2031; and

WHEREAS, the School District wishes to adopt a Revenue Purpose Statement that includes all proposed uses of SAVE Revenue and that will extend beyond the expiration of the current Revenue Purpose Statement; and

WHEREAS, Iowa Code Chapter 47 requires that the District submit this election resolution to the County Commissioner of Elections at least forty-six days prior to the date of the special election:

NOW, THEREFORE, IT IS RESOLVED BY THE SOUTH TAMA COUNTY COMMUNITY SCHOOL DISTRICT, IN THE COUNTIES OF TAMA AND POWESHIEK, STATE OF IOWA:

Section 1. That the Board wishes to authorize spending SAVE Revenue for the following purposes and, in doing so, must approve the following Revenue Purpose Statement.

Section 2. That the following Revenue Purpose Statement shall be approved, and the Secretary is authorized and directed to submit and file the Revenue Purpose Statement with the Tama County Commissioner of Elections at least forty-six days prior to the date of the election.

Revenue Purpose Statement
South Tama County Community School District

Pursuant to the provisions of Iowa Code Section 423F.3, the South Tama County Community School District hereby adopts and submits to the Commissioner of Elections of Tama County, Iowa, this Revenue Purpose Statement to be submitted to the electors at an election to be held March 3, 2020.

Money received by the South Tama County Community School District from the State of Iowa Secure an Advanced Vision for Education Fund may be spent for any one or more of the following purposes:

To provide funds to acquire or install information technology infrastructure (including improving buildings or sites for the purpose of accessing broadband digital telecommunications) and school safety and security infrastructure.

To provide funds to build and furnish a new school building or buildings; to build and furnish addition(s) to school buildings in the District; to remodel, reconstruct, repair, expand, and improve the school buildings in the District; to purchase and improve grounds; for demolition work; to furnish and equip district facilities.

To provide funds for the purchase, lease or lease-purchase of buildings, equipment (including transportation and recreation equipment), or technology and to repair transportation equipment for transporting students as authorized by law, to implement energy conservation measures, sharing or rental of facilities including a joint infrastructure project for the purposes of offering classes under a district-to-community college as authorized in Iowa Code Section 423F.3(3)(c), procuring or acquisition of libraries, or opening roads to schoolhouses or buildings.

To provide funds to purchase land as part of start-up costs for new student construction program or if the sale of the previous student construction was insufficient to purchase land, and to purchase construction materials and supplies for a student-constructed building or shed intended to be retained by and used by the District.

To provide funds to make payments to a municipality or other entity as required under Iowa Code Section 403.19(2).

To provide funds for demolition, cleanup, and other costs if such costs are necessitated by, and incurred within two years of, a disaster.

To provide funds to establish and maintain public recreation places and playgrounds; provide for supervision and instruction for recreational activities; or for community education purposes.

To provide funds for the payment of principal and interest or retirement of general obligation bonds issued for school infrastructure purposes, energy improvement loans, loan agreements authorized by Iowa Code Section 297.36, sales, service and use tax revenue bonds issued under Iowa Code Section 423E.5 or Iowa Code Section 423F.4.

To provide funds for property tax relief; and

To provide funds for other authorized expenditures and purposes as now or hereafter permitted by law and designated by the South Tama County Community School District.

Section 3. That an election is called of the qualified electors of the South Tama County Community School District in the Counties of Tama and Poweshiek, State of Iowa, on Tuesday, March 3, 2020. The following Proposition is approved, and the Secretary is authorized and directed to submit and file the Proposition for the Ballot with the Tama County Commissioner of Elections at least 46 days prior to the election.

PROPOSITION ____

Shall the Board of Directors of the South Tama County Community School District in the Counties of Tama and Poweshiek, State of Iowa, be authorized to contract indebtedness and issue General Obligation Bonds in an amount not to exceed \$20,800,000 to provide funds to construct, build, furnish and equip a middle school addition to the existing high school building, including related remodeling, and to improve the site?

Section 4. Because it is necessary to approve a tax levy for the payment of principal and interest on the above Proposition, the following question also will be submitted to the qualified electors at the special election held on Tuesday, March 3, 2020:

PROPOSITION ____

Shall the Board of Directors of the South Tama County Community School District in the Counties of Tama and Poweshiek, State of Iowa, be authorized to levy annually a tax exceeding Two Dollars and Seventy Cents (\$2.70) per Thousand Dollars (\$1,000), but not exceeding Four Dollars and Five Cents (\$4.05) per Thousand Dollars (\$1,000) of the assessed value of the taxable property within said school corporation to pay the principal of and interest on bonded indebtedness of said school corporation, it being understood that the approval of this proposition shall not limit the source of payment of the bonds and interest, but shall only operate to restrict the amount of bonds which may be issued?

Section 5. The following question also will be submitted to the qualified electors at the special election held on Tuesday, September 10, 2019:

PROPOSITION ____

Summary: To adopt a Revenue Purpose Statement specifying the use of revenues the South Tama County Community School District will receive from the State of Iowa Secure an Advanced Vision for Education Fund.

In the South Tama County Community School District, the following Revenue Purpose Statement which specifies the use of revenues the South Tama County Community School District will receive from the State of Iowa Secure an Advanced Vision for Education Fund shall be adopted.

To provide funds to acquire or install information technology infrastructure (including improving buildings or sites for the purpose of accessing broadband digital telecommunications) and school safety and security infrastructure.

To provide funds to build and furnish a new school building or buildings; to build and furnish addition(s) to school buildings in the District; to remodel, reconstruct, repair, expand, and improve the school buildings in the District; to purchase and improve grounds; for demolition work; to furnish and equip district facilities.

To provide funds for the purchase, lease or lease-purchase of buildings, equipment (including transportation and recreation equipment), or technology and to repair transportation equipment for transporting students as authorized by law, to implement energy conservation measures, sharing or rental of facilities including a joint infrastructure project for the purposes of offering classes under a district-to-community college as authorized in Iowa Code Section 423F.3(3)(c), procuring or acquisition of libraries, or opening roads to schoolhouses or buildings.

To provide funds to purchase land as part of start-up costs for new student construction program or if the sale of the previous student construction was insufficient to purchase land, and to purchase construction materials and supplies for a student-constructed building or shed intended to be retained by and used by the District.

To provide funds to make payments to a municipality or other entity as required under Iowa Code Section 403.19(2).

To provide funds for demolition, cleanup, and other costs if such costs are necessitated by, and incurred within two years of, a disaster.

To provide funds to establish and maintain public recreation places and playgrounds; provide for supervision and instruction for recreational activities; or for community education purposes.

To provide funds for the payment of principal and interest or retirement of general obligation bonds issued for school infrastructure purposes, energy improvement loans, loan agreements authorized by Iowa Code Section 297.36, sales, service and use tax revenue bonds issued under Iowa Code Section 423E.5 or Iowa Code Section 423F.4.

To provide funds for property tax relief; and

To provide funds for other authorized expenditures and purposes as now or hereafter permitted by law and designated by the South Tama County Community School District.

It being understood that if this proposition should fail to be approved by the voters, such failure shall not be construed to terminate or restrict authority previously granted by the voters to expend receipts from the Secure an Advanced Vision for Education Fund.

If approved, this Revenue Purpose Statement shall remain in effect until replaced or amended by the South Tama County Community School District.

[END OF BALLOT LANGUAGE]

Section 6. That the notice of the election and ballot form used at the election shall be prepared in accordance with the provisions of the Iowa Code and Iowa Administrative Rules.

Section 7. That the Election Board for the Voting Precinct or precincts be appointed by the County Commissioner of Elections for each County conducting an election, not less than 15 days before the election.

Section 8. The Commissioner of Elections for each County conducting an election is requested and directed to make publication of the Notice of Election at least once, not less than four days nor more than twenty days prior to the election, in a newspaper that meets the requirements of Iowa Code Section 49.53(2). That, in addition to the ballot proposition, the Notice of Election must include the following statement:

"If a majority of eligible electors voting on the question fail to approve this Revenue Purpose Statement, then upon expiration of

the current Revenue Purpose Statement, revenues received by the School District from the Secure an Advanced Vision for Education fund shall be expended in the following order:

The payment of bonds for which SAVE Revenue has been pledged;

Reduction of bond levies under Iowa Code Sections 298.18 and 298.18A and all other debt levies;

Reduction of the regular and voter-approved physical plant and equipment levy under Iowa Code Section 298.2;

Reduction of the public educational and recreational levy under Iowa Code Section 300.2;

For any authorized infrastructure purpose of the school district as defined in Iowa Code Section 423F.3(6); and

For the payment of principal and interest on bonds issued under Iowa Code Sections 423E.5 and 423F.4."

Section 9. That the Secretary is authorized and directed to publish the Notice of Election on the South Tama County Community School District's internet site at least once, not less than four days nor more than twenty days prior to the election.

Section 10. Tama County, Iowa is the Controlling County for this election.

Section 11. That the County Commissioner of Elections for each County conducting an election shall prepare all ballots and election registers and other supplies necessary for the proper and legal conduct of this election and the Secretary of the Board is directed to cooperate with these Commissioners of Elections in the preparation of the necessary proceedings.

Section 12. That the Secretary is directed to file a certified copy of this Resolution in the Office of the County Commissioner of Elections of the Controlling County to constitute the "written notice" to the County Commissioner of Elections of the election date, required to be given by the governing body under the provisions of Iowa Code Chapter 47.

PASSED AND APPROVED this 6th day of January, 2020.

President of the Board of Directors

ATTEST:

Secretary of the Board of Directors

MODIFIED SUPPLEMENTAL AMOUNT

#Description	Amount
1 District cost per pupil	\$6,890
2 Certified enrollment (October 1, current school year)	1,528.5
2 Certified enrollment was found and certified on 10/15/2019 3:11:33 PM.	
3 Maximum modified supplemental amount possible (0.025 x line 1 x line 2)	\$263,284
Previous FY Carry-forward from CAR	
4 Project 1116 Carry-forward: \$20,904	\$77,986
Project 1119 Carry-forward: \$57,082	
5 Requested modified supplemental amount	185,298
5 Enter an amount equal to, or less than (Ln3 - Ln4): \$185,298	
<i>"Requested MSA and required match (and the associated spending authority) is solely for the purpose of implementing the district's board-adopted At-Risk/Dropout program."</i>	
6 Required local match (Total Project Cost(Line 5 / 0.75) X 0.25)	\$62
7 Enter the number of enrolled students in the budget year identified as returning dropouts and potential dropouts.	265

702.06 School Vehicle Seat Belt Use

It is the goal of the South Tama County Community School District to provide the safest student transportation possible. The District requires that all students riding a school district bus equipped with seat belts or any school vehicle equipped with seat belts wear seat belts while the bus is in motion. Beginning in 2019-20, the District is purchasing school buses equipped with lap/shoulder seat belts, and the requirements of this policy will apply to students riding on said buses.

Drivers are not responsible and/or liable for students wearing seat belts while riding in any school vehicle. Drivers will instruct students to put on seat belts prior to the bus leaving a school. Drivers will announce prior to the bus leaving that each student needs to be in their seat with the seat belt fastened.

Students who may require assistance in using seat belts should ask the bus driver for help so that all students are safely belted in their seats before the bus is in motion. All students will receive instruction on the proper use of seat belts during the twice-annual bus safety drills.

Students refusing to use seat belts create a safety concern for themselves and others, and are subject to school district disciplinary actions. Repeated refusal to wear seat belts can result in suspension from bus riding privileges.

(<DATE HERE>)

South Tama Community School District

Changes to Policies (800s)

Revised by Emily K. Ellingson on November 1, 2019

Items highlighted in yellow require the district to follow-up and consider revisions.

Type of Policy	Old Policy	New Policy	Change
Statement of Guiding Principals	800.00	800.00	No changes
Planning the Budget	801.10	801.01	Minor changes
Preparation of the Budget Document	801.20	801.02	Minor changes
Requirements of the Final Budget Document	801.30	801.03	Minor changes
Publication of the Budget	801.40	801.04	Minor changes
Public Review of the Budget	801.50	801.05	No changes
Budget Adoption by the Board	801.60	801.06	Minor changes
Transfer or Loan of Funds	801.70	801.07	Added additional language to provide option of intra-fund loans (in addition to transfers).
Financial Accounting System	801.80	801.08	Minor changes
Classification of Accounts and Financial Records	801.82	801.08R1	Minor changes
Governmental Accounting Practices and Regulations	801.9	801.08R2	No changes
Local, State, and Federal Revenue	801.10	802.01	Minor changes
Investment and Depository Designation	802.30	802.01R1	Minor changes, including removing specific Iowa Code citations and instead using general statements.
Gifts, Grants, and Bequests	802.40	802.02	Made minor changes, including adding in additional language outlining what to do after the district approves a gift.
Gifts of Playground or Other Equipment or Materials	802.41	802.02R1	Minor changes
Student Activities Revenue	ADDED	802.03	Added new policy to outline what the district will do about student activity funds. (Took elements from prior policy No. 505.20 (deleted from 500s Series with update).
Purchasing of Products and Services	803.10	803.01	#####
Procurement Goals from Targeted Small Businesses	803.15	803.01R1	Minor changes
Formal Contracts in Construction Projects	803.90	803.01R2	Minor changes
Use of Purchase Orders	803.20	803.02	Minor changes
Use of Credit Cards	803.25	803.02R1	Minor changes
Use of Work Orders	803.80	803.03	Minor changes
Approval and Payment for Goods and Services	803.30	803.04	Minor changes, including adding an introductory statement and specifying warrants can be signed by electronic signature.
Unpaid Warrants	803.40	803.04R1	Minor changes
Voiding of Warrants that are not Cancelled	803.45	803.04R2	Minor changes
Payroll Periods	803.50	803.05	No changes
Payroll Deductions	803.60	803.06	Minor changes
Secretary's Monthly Report	804.10	804.01	Minor changes
Treasurer's Annual Report	ADDED	804.02	Added new policy to outline the expectations for the treasurer to produce an annual report for the Board.
Internal Controls	804.20	804.03	No changes
Internal Controls Regulation	ADDED	804.03R1	Added new regulations
Audit	804.30	804.04	Minor changes
Sale of Bonds	804.35	804.05	Minor changes
Post-Issuance Compliance Regulation for Tax-Exempt Org.	804.36	804.05R1	No changes
Capital Assets	805.16	804.06	No changes
Intangible Assets Reporting	805.17	804.06R1	No changes
Expenditures for Public Purpose	804.40	804.07	MODIFIED per Board policy approved in October 2019. Note, after some slight reorganization in the 800s Series, the Board policy was RENUMBERED
School District Records	805.10	805.01	Minor changes
Publication of Financial Records	804.50	805.01R1	Minor changes
Personnel Records	805.20	DELETED	Deleted this policy because it was already contained in the school district records policy (NEW Policy 805.01)
Bonds for Officers and Employees	805.30	805.02	Minor changes
Insurance Program	806.10	805.03	Minor changes

General Policy Notes

(1) If a policy is designated as "NEW" or "ADDED" there is no old policy on the topic.

(2) Legal References have been removed because they are frequently outdated and/or irrelevant.

(3) Intra-policy references were removed because these are frequently outdated. Also, if the district were to change one policy every cross site would need to be checked. This is time consuming and rarely done.

South Tama Community School District

Changes to Policies (800s)

Revised by Emily K. Ellingson on November 1, 2019

Items highlighted in yellow require the district to follow-up and consider revisions.

Type of Policy

Old Policy

New Policy

Change

(4) Terms used throughout the policy manual have been altered for consistency.

(5) Policies have been re-organized and re-numbered to account for deleted policies, added policies, grouping of similar policies, and consistent numbering progression.

(6) Deleted references to superintendent's adoption of regulations. Often there will be a lag in the actual development of these regulations. Consequently, we find this better be left unsaid from a liability standpoint.

BUSINESS PROCEDURES

Section 800

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BUSINESS PROCEDURES
Section 800

800.00 Statement of Guiding Principles

The Board of Directors recognizes that its primary purpose is to provide the best education possible within the limits of the established curriculum and the financial ability of the school district. The Board of Directors also recognizes its deep responsibility to the citizens of the school district for the efficient use of public funds. It shall, therefore, be the duty of the Board of Directors to determine guidelines for the most effective use of public funds and for reporting to the public.

(April 12, 1971; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.01 Planning the Budget

The planning of the budget shall be a continuous process and shall involve long-term thought, study, and deliberation by the Superintendent of Schools, the Board of Directors, the administration staff, the faculty, and the citizens of the school district.

The planning shall include the following considerations:

1. The education program and its impact upon the budget.
2. The estimated revenue.
3. The estimated expenditures.
4. Long-term goals:
 - (a) Curriculum
 - (b) Building Need

(April 12, 1971; July 15, 1991; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.02 Preparation of the Budget

The preparation of the formal budget document shall be the responsibility of the Superintendent of Schools. The Superintendent of Schools shall present to the Board of Directors at the time designated by the State a preliminary budget projection of the financial needs of the school district for the ensuing fiscal year. A complete budget document shall be prepared by the Superintendent of Schools and presented to the Board of Directors at the time designated by the State.

(July 11, 1983; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.03 Requirements of the Final Budget

The budget document must include the following statements:

1. The amount of revenue from sources other than taxation.
2. The amount of revenue proposed to be raised by taxation.
3. The amount proposed to be expended in each and every fund and for each and every purpose during the ensuing fiscal year.
4. The comparison of such amounts so proposed to be expended with the amounts expended for like purposes for the two preceding years.
5. The estimates required shall be fully itemized and classified so as to show each particular class of proposed expenditure, showing under separate headings the amounts required in such manner and form as shall be prescribed by the Department of Education.

The budget document shall also contain a brief explanatory section to demonstrate which program changes for the ensuing year are responsible for any changes in expenditures.

(April 12, 1971; July 15, 1991; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.04 Publication of the Budget

The Board of Directors shall adopt for publication purposes an approved budget document for the ensuing fiscal year. This approved budget document shall be filed with the Secretary of the Board at least twenty days prior to the time designated by the State.

The Board of Directors shall cause this approved budget document to be published in the legal newspaper of the school district together with the time and place established for its public review.

(July 11, 1983; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.05 Public Review of the Budget

The Board of Directors shall cause to have established and published the time and place where a public hearing shall be held for the purpose of public review of the budget document.

(April 12, 1971; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.06 Budget Adoption by the Board

The Board of Directors shall, after the public hearing, adopt a final budget for the ensuing fiscal year and shall certify the same to the levying board.

The final budget shall be certified by the President of the Board of Directors in duplicate to the County Auditors at the time designated by the State time each year on forms prescribed by the State Board.

(July 11, 1983; July 15, 1991; July 7, 2003; July 18, 2011; June 23, 2014; < DATE HERE >)

801.07 Transfer or Loan of Funds

When the necessity for a fund has ceased to exist, the balance may be transferred to another fund or account by the board resolution. School district monies received without a designated purpose may be transferred in this manner. School district monies received for a specific purpose or upon vote of the people may only be transferred, by board resolution when the purpose for which the monies were received has been completed. Voter approval is required to transfer monies to the general fund from the capital projects fund and debt service fund.

The Board may loan monies between funds as it deems necessary and only in a manner consistent with state law. The Board shall exercise this authority judiciously. A loan from one fund to the other will be at a rate of interest consistent with the state rate. The period of the loan shall be for a reasonable period and no longer than one year from the beginning date of the loan.

It shall be the responsibility of the Director of Finance and Operations to make recommendations to the board regarding intra-fund transfers and loans and to provide the documentation justifying the transfer or loan.

(April 12, 1971; June 16, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.08 Financial Accounting System

The Board of Directors adopts the Uniform Financial Accounting for Iowa School Districts, recommended by the Department of Education, as its system of financial accounting.

(July 11, 1983; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.08R1 Classification of Accounts and Financial Records

Financial records of the school district shall be maintained in accordance with generally accepted accounting principles (GAAP) as required or modified by law. School district monies shall be received and expended from the appropriate fund and/or account. The funds and accounts of the school district shall include, but not be limited to:

Governmental fund type:

- General fund
- Special revenue fund
 - Management levy fund
 - Physical plant and equipment levy fund
 - Public education and recreation levy fund
 - Student activity fund
- Capital projects fund
- Debt service fund

Proprietary fund type:

- Enterprise fund
 - School nutrition fund
 - Child care fund
- Internal service fund

Fiduciary funds:

- Trust or agency funds
 - Expendable trust funds
 - Nonexpendable trust funds
 - Agency funds
 - Pension trust funds

Accounting groups:

- General fixed assets account group
- General long-term debt account group

As necessary the board may, by board resolution, create additional funds within the governmental, proprietary, and fiduciary fund types. The resolution shall state the type of fund, name of the fund, and purpose of the fund.

The general fund is used primarily for the education program. Special revenue funds are used to account for monies restricted to a specific use by law. Proprietary funds account for operations of the school district operated similar to private business, and they account for the costs of providing goods and services provided by one department to other departments on a cost reimbursement basis. Fiduciary funds are used to account for monies or assets held by the school district on behalf of, or in trust for, another entity. The account groups are the accounting records for fixed assets and long-term debt.

These funds may be comprised of several sub-accounts at the discretion of the Superintendent or Director of Finance and Operations.

(April 17, 1989; June 16, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

801.08R2 Governmental Accounting Practices and Regulations

School district accounting practices will follow state and federal laws and regulations, generally accepted accounting principles (GAAP), and the uniform financial accounting system provided by the Iowa Department of Education. As advised by the school district's auditor, determination of liabilities and assets, prioritization of expenditures of governmental funds, and provisions for accounting disclosures shall be made in accordance with governmental accounting standards.

In Governmental Accounting Standards Board (GASB) Statement No. 54, the board identifies the order of spending unrestricted resources applying the highest level of classification of fund balance – restricted, committed, assigned, and unassigned – while honoring constraints on the specific purposes for which amounts in those fund balances can be spent. A formal board action is required to establish, modify, and/or rescind a committed fund balance. The resolution will state the exact dollar amount. In the event, the board chooses to make changes or rescind the committed fund balance, formal board action is required.

The Board authorizes the Superintendent and Business Manager to assign amounts to a specific purpose in compliance with GASB 54. An 'assigned fund balance' should also be reported in the order of spending unrestricted resources, but is not restricted or committed.

It is the responsibility of the superintendent to develop administrative regulations implementing this policy. It is also the responsibility of the superintendent to make recommendations to the board regarding fund balance designations.

(August 18, 2014; <DATE HERE>)

802.01 Local, State, and Federal Revenue

All revenue received by the school district shall be classified under the official accounting system and be placed in the hands of the secretary and treasurer of the Board of Directors to be deposited into the official district depository as set by the Board of Directors and in accordance with applicable state laws. Funds may be deposited in other banks when specifically approved by the Board of Education.

(April 12, 1971; July 15, 1991; July 7, 2003; July 18, 2011; June 23, 2014)

802.01R1 Investment and Depository Designation

School district funds in excess of current needs shall be invested in compliance with this policy. This policy is meant to comply with applicable state law.

The goals of the school district’s investment portfolio in order of priority are:

1. To provide safety of the principal;
2. To maintain the necessary liquidity to match expected liabilities; and
3. To obtain a reasonable rate of return.

In making investments, the school district shall exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use to meet the goals of the investment program.

School district funds are moneys of the school district, including operating funds. “Operating funds” of the school district are funds which are reasonably expected to be used during a current budget year or within fifteen months of the receipt. When investing operating funds, the investments must mature within three hundred ninety-seven (397) days or less. When investing funds other than operating funds, the investments must mature according to the need for the funds.

The Board authorizes the treasurer to invest funds in excess of current needs in the following investments:

1. Interest bearing savings, money market, and checking accounts at the school district’s authorized depositories. Such depositories and amounts for deposit limits are:
 - a. State Band of Toledo at \$15,000,000 (so long as it continues as federally insured and approved by the state treasurer); and,
 - b. Lincoln Savings Bank at \$15,000,000 (so long as it continues as federally insured and approved by the state treasurer).
2. Qualified investment pools, including, but not limited to, Iowa Schools Joint Investment Trust Program (ISJIT);
3. Obligations of the United States government, its agencies and instrumentalities; and,
4. Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions.

The board may change the above-referenced investment of funds via a Board resolution, adopted during an open meeting and included in the minutes of the meeting. It shall be the responsibility of the treasurer to oversee the investment portfolio in compliance with this policy and the law.

It shall be the responsibility of the treasurer to bring a contract with an outside person to invest school district funds, to advise on investments, to direct investments, to act in a fiduciary capacity or to perform other services to the Board for review and approval. The treasurer shall also provide the Board with information about and verification of the outside person's fiduciary bond. Contracts with outside persons shall include a clause requiring the outside person to notify the school district within thirty (30) days of any material weakness in internal structure or regulatory orders of sanctions against the outside person regarding the services being provided to the school district and to provide the documents necessary for the performance of the investment portion of the school district audit. The compensation of the outside persons shall not be based on the performance of the investment portfolio.

The treasurer shall be responsible for reporting to and reviewing with the Board at its regular meetings the investment portfolio's performance, transaction activity, and current investments, including the percent of the investment portfolio by type of investment and by issuer and maturities. The report shall also include trend lines by month over the last year and year-to-year trend lines regarding the performance of the investment portfolio. It shall also be the responsibility of the treasurer to obtain the information necessary to ensure that the investments and the outside persons doing business with the school district meet the requirements outlined in this policy.

In all of the above matters requiring action by the district treasurer, the treasurer shall work in conjunction with the Board secretary.

It shall be the responsibility of the superintendent to deliver a copy of this policy to the school district's depositories, auditor, and outside persons doing business with the school district.

It shall also be the responsibility of the superintendent, in conjunction with the treasurer, to develop a system of investment practices and internal controls over the investment practices. The investment practices shall be designed to prevent losses, to document the officers' and employees' responsibility for elements of the investment process and address the capability of the management.

(August 17, 1992; September 19, 1994; September 15, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

802.02 Gifts, Grants, and Bequests

If approved by the Board of Directors, gifts, grants, or bequests involving money, equipment, donated time and furnishings may be accepted or rejected by the school district. Such gifts shall become the property of the school district and shall be under the control of the Board of Directors.

The Board may reject any gift it believes would be a burden on the district or contrary to the goals of the district. The Board will have sole authority to determine whether the gift is a burden on the district or contrary to the goals of the district.

Gifts may be considered by the Board to be a burden on the district and/or contrary to the goals of the district if:

1. The gift causes the district to continue, or begin, a program or activity that was contrary to the direction sought by the Board.
2. The gift builds expectations for continuity when the Board does not intend to commit the resources for continuation.
3. The gift involves conditions that were too restrictive, or illegal.
4. The gift costs money to accept or maintain.
5. The gift has more commercial value to the giver than educational value to the district.
6. A gift could be beyond community acceptance.
7. Any other reason that the Board considers to be appropriate.

Once it has been approved by the Board, a Board member or the Superintendent may accept the gift on behalf of the school district.

Gifts, grants, and bequests once accepted on behalf of the school district become the property of the school district. Gifts, grants, and bequests are administered in accordance with terms, if any, agreed to by the Board.

(April 12, 1971; July 15, 1991; June 15, 1992; July 7, 2003; July 18, 2011; March 5, 2012; June 23, 2014; <DATE HERE>)

802.02R1 Gifts of Playground or Other Equipment or Materials

When an individual or group wishes to donate playground or other equipment, the following should be observed:

- A. PRIOR to purchasing said playground or other equipment, the superintendent should be contacted regarding whether the superintendent is willing to recommend accepting specific item(s) PRIOR to the purchase of the equipment.
- B. Donations should include the cost of labor and materials for installation and site preparation.
- C. Installation must be according to specifications approved by the school district which relate to:
 - 1. Approval of design;
 - 2. Safety considerations; (Including, but not limited to, such items as a depth of encased pea gravel extending beyond the perimeter of playground equipment or grounded wiring for installation of equipment which requires such wiring.) and
 - 3. Handicap accessibility.

(July 19, 1993; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

802.03 Student Activities Revenue

Revenue raised by students or from student activities is deposited and accounted for in the student activities fund. This revenue is the property of and is under the financial control of the Board. Students may use this revenue for purposes approved by the superintendent or superintendent's designee.

Whether such revenue is collected from student contributions, club dues, and special activities or result from admissions to special events or from other fund-raising activities, all funds will be under the jurisdiction of the Board and under the specific control of the superintendent or superintendent's designee. They will be deposited in a designated depository and will be disbursed and accounted for in accordance with instructions issued by the superintendent.

It is the responsibility of the Board treasurer to keep student activity accounts up-to-date and complete.

Any unencumbered class or activity account balances will automatically revert to the activity fund when a class graduates or an activity is discontinued.

(<DATE HERE>)

803.01 Purchasing of Products and Services

It shall be the policy of the school district to purchase products and services from within the district community provided that such products and services shall be competitive.

The official budget documents shall be considered as the authority for all expenditures, which are made during the fiscal year. The principle concern of the Board of Directors shall be that the overall expenditure for any fiscal period shall not exceed the budgeted amount for any one fund. Categorical breakdowns within funds shall be used primarily for budget control for the current fiscal year and for future budget planning.

The Superintendent of Schools or Director of Finance and Operations shall approve all purchases made in the name of the school district except those authorized by direct action of the Board of Directors.

No official may make a purchase or contract in the name of the school district exceeding State Law for any single item or single group of items without competitive sealed bids. These bids shall be made in accordance with the laws of the State of Iowa.

All Projects

It is the responsibility of the superintendent to approve purchases, except those authorized by or requiring direct board action. The superintendent may coordinate and combine purchases with other governmental bodies to take advantage of volume price breaks. Joint purchases with other political subdivisions will be considered in the purchase of equipment, accessories or attachments with an estimated cost of \$50,000 or more.

The superintendent will have the authority to authorize purchases without competitive bids for goods and services costing under \$5,000 without prior board approval. For goods and services costing more than \$5,000, the superintendent will receive, at a minimum, quotes of the goods and services to be purchased prior to approval of the board.

When using federal Child Nutrition funds to purchase goods and services, dollars spent annually must be estimated. It is acceptable to categorize (e.g. groceries, milk, produce, small equipment, large equipment, supplies, and chemicals). A formal sealed bid procurement process is required when annual spending in the category exceeds \$25,000 annually. An informal process is used for all other purchases under the threshold annually. Documentation of informal procurement activity is kept on file.

Public Improvement Projects

The school district will follow Iowa law regarding the competitive bid and/or competitive quote procedures required for public improvement projects. For goods and services utilized in public improvement projects costing less than the competitive quote amount stated in applicable state laws and regulations, the superintendent may receive quotes of the goods and services to be purchased prior to approval by the superintendent or the board.

For goods and services utilized in public improvement projects, as defined under Iowa law, costing more than the competitive quote amount stated in applicable state laws and regulations and less than the competitive bid amount stated in applicable state laws and regulations, the superintendent shall receive competitive quotations of the goods and services to be purchased prior to approval by the board. The purchase will be made from the party submitting the lowest responsive, responsible quotation based upon total cost considerations including, but not limited to, the cost of the goods and services being purchased, availability of service and/or repair, delivery date, and other factors deemed relevant by the board.

For goods and services utilized in public improvement projects, as defined under Iowa law, costing more than the competitive bid amount stated in applicable state laws and regulations, the superintendent shall receive competitive sealed bids of the goods and services to be purchased prior to approval of the board. The purchase will be made from the party submitting the lowest responsive, responsible bid that meets the prescribed standards and specifications, which is calculated based upon total cost considerations including, but not limited to, the cost of the goods and services being purchased, availability of service and/or repair, delivery date, and other factors deemed relevant by the board.

If the district elects to accept other than low bid, the rationale for the decision will be stated. Reasons might include, but are not limited to perceived quality difference; expected after-sale service difference; the convenience, compatibility, and uniform operation and maintenance of products; etc. Unless there is a compelling reason, the district will not normally accept a bid that exceeds the low bid by more than five percent (5%). Bids received from local business firms may not usually be considered unless they are within five percent (5%) of the lowest valid bid received. No bid will be considered valid if it deviates, in a significant manner, from the project specifications set by the South Tama County School District.

The board and the superintendent will have the right to reject any or all bids, or any part thereof, and to re-advertise. If it is determined that a targeted small business which bid on the project may be unable to perform the contract, the superintendent will notify the Department of Economic Development. The board will enter into such contract or contracts as the board deems in the best interests of the school district.

(February 20, 1984; July 15, 1991; June 20, 1994; January 15, 2001; July 7, 2003; July 18, 2011; March 5, 2012; June 23, 2014; <DATE HERE>)

803.01R1 Procurement Goals from Targeted Small Businesses

In accordance with Iowa law, the school district establishes a procurement goal to purchase from certified targeted small business at least 10% of the value of goods and services, including construction, but not including utility services, each fiscal year. Certified targeted small businesses are those that have been certified pursuant to the Iowa Targeted Small Business Program.

A list of certified targeted small businesses shall be maintained by the state. The Board and superintendent will encourage targeted small businesses that are not certified with the state to become certified targeted small businesses.

(December 16, 1991; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.01R2 Formal Contracts in Construction Projects

A formal contract will be issued on all construction projects which are initiated by formal bidding and may be issued on any other work project at the discretion of the Director of Finance and Operations.

(May 15, 1972; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.02 Use of Purchase Orders

The procurement of all supplies, equipment, and services shall be initiated by the issuance of an official purchase order signed by the Superintendent of Schools or Director of Finance and Operations. Only those supplies, equipment, and services procured by formal contract or those that are appropriate credit card purchases shall be exempt.

The Board of Directors recognizes the advantages of centralized purchasing in that volume buying insures maximum value for each dollar spent. The Board shall authorize the Superintendent or Director of Finance and Operations to purchase and supervise the purchasing of all materials, goods and supplies for the school system in accordance with state law and good purchasing practices.

(April 12 1971; July 15, 1991; July 7, 2003; July 18, 2011; March 5, 2012; June 23, 2014; <DATE HERE>)

803.02R1 Use of Credit Cards

Employees may request the use of a District credit card when the expense they will incur is the direct obligation of the District and directly billing the expense to the District is impractical. Only the Superintendent or Director of Finance and Operations can authorize an employee to use a District credit card. The following would be examples of approved use of a district credit card:

- A. Purchase of gas for a school owned vehicle.
- B. Overnight lodging when on school business and a purchase order is not accepted by the facility.
- C. Payment for meals that are incurred because of a school business trip when an individual is in 'overnight status' per Internal Revenue Service guidelines and Board policy (the maximum payment for meals is as follows: \$40 per day with detailed receipts).
- D. Purchase of materials or services where purchase orders are not accepted.
- E. Purchases under \$500 for which a statement of authority has been submitted and signed by an administrator.

An employee wishing to obtain and/or use a District credit card must abide by the following requirements:

- A. A school credit card may be obtained from the Director of Finance and Operations. It must be logged out, noting an expected time of return.
- B. No employee will be given a school credit card on a permanent basis.
- C. Any employee that loses a school credit card must report the loss to the business office immediately.

An employee using a District credit card must abide by the following requirements:

- A. The employee must obtain an authorization via a statement of authority, prior to the purchase.
- B. At time of purchase the employee will sign the charge sheet and return the customer copy to the business office with the card.
- C. When signing the charge card the employee will also state the reason for the charge (i.e. in-service meeting in Des Moines, etc.)
- D. Failure to provide the above-mentioned documentation will make the employee responsible for the expenses incurred. Those expenses are reimbursed to the school district no later than ten working days following use of the credit card.

(July 21, 1986; December 19, 1994; July 7, 2003; April 20, 2009; May 18, 2009; July 18, 2011, March 5, 2012; June 23, 2014; <DATE HERE>)

803.03 Use of Work Orders

All work projects to be done by a private contractor which will exceed \$500.00 shall be initiated by the issuance of an official work order form signed by the Superintendent or Director of Finance and Operations. Only emergency repairs, which will be in excess of the above amount, will be exempt.

Work orders might be issued on projects of lesser amounts if it would benefit either the school or the contractor.

(July 11, 1983; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.04 Approval and Payment for Goods and Services

The Board of Directors authorizes the payment of claims against the school district for goods and services. The Board shall cause to have warrants issued for all just claims against the school district upon audit and allowance by the Board. The Board authorizes the Secretary to issue warrants between sessions for bills as allowed by state law.

The Board shall approve bills submitted to them at any declared public Work Session or Regular Meetings. No bills except those provided for in state or federal law will be paid without board approval.

The Board will designate, at least annually, a person or persons, usually the Director of Finance and Operations, to approve payment of bills from the Food Service Fund and the Activity Fund. The board may also designate a Board member who is authorized to approve payment of bills for a specific period from the Operating Fund and/or Physical Plant and Equipment Fund. Whenever an individual(s) have been authorized to approve payment, the full Board will act to ratify the list of bills paid at a subsequent regular or special meeting of the Board.

The Board President and Board Secretary may sign warrants by use of a signature plate, rubber stamp, or electronic signature. If the Board President is unavailable to sign warrants, the Vice President may sign warrants on behalf of the President.

(February 4, 1985; July 21, 1986; July 15, 1991; September 19, 1994; January 15, 1996; June 16, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.04R1 Unpaid Warrants

The Board of Directors shall, only in the case of absolute necessity, issue warrants for which there are no funds available for the payment of such warrants, and the treasurer shall institute such procedures as stated in state law.

(July 11, 1983; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.04R2 Voiding of Warrants That Are Not Canceled

The Board will annually, usually in June prior to the close of the fiscal year, review outstanding checks (warrants) from all funds, written by the district but not cashed or canceled. The intent will be to void the warrants which are over six (6) months from issue and for which there is no known reason to believe they will soon be cashed or canceled.

(January 15, 1996; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.05 Payroll Periods

It shall be the policy of the Board of Directors that all personnel of the school district be paid monthly in accordance with the length of service stated on their contracts, and that all personnel shall be paid on the 5th and/or 20th day of each month or the last day of service prior to the 20th.

(April 12, 1971; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

803.06 Payroll Deductions

Payroll deductions shall be authorized by the Board of Directors as set forth by federal and state law and may be authorized by the Board of Directors for such other reasons as may be deemed advisable.

The following requirements shall be followed when applying for a payroll deduction:

1. Organizations, companies, or individuals desiring the institution of a salary deduction plan must submit a desired plan to the Board of Directors for advanced approval.
2. Employees requesting a payroll deduction must have the organization or companies file a statement verifying that they are licensed to do business in the State of Iowa.
3. The Business Office shall be given thirty (30) days notice of the institution or termination of a salary deduction by an individual.
4. Deductions are to be withheld in equal installments with the number of pay periods included in the employee's pay year.
5. Employees are limited to one (1) change in payroll deductions per quarter.
6. All salary deductions other than those regulated by federal or state government will be deducted only upon written approval of the employee.
7. Companies selected for payroll deductions must provide the district with a monthly billing.
8. The total number of deductions permitted by an employee will be limited by the capacity of the district bookkeeping system.

The Board of Directors authorizes within the above regulations, salary deduction plans for health, accident, and major medical insurance; tax sheltered annuities; child support; court orders; Section 125 contributions; and deductions specifically approved by the district.

(May, 1975; July 15, 1991; February 24, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

804.01 Secretary's Monthly Report

The Secretary of the Board will file with the Board of Directors each month a complete financial statement of the preceding month's business, including receipts, disbursements and balances of the various funds.

(April 12, 1971; September 19, 1988; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

804.02 Treasurer's Annual Report

The Treasurer of the Board will file with the Board of Directors at the annual meeting the annual report stating the amount held over, received, paid out, and on hand in the general and Physical Plant and Equipment funds. The Treasurer will also furnish the board with a sworn statement from each depository showing the balance then on deposit.

(<DATE HERE>)

804.03 Internal Controls

The Board expects all board members, employees, volunteers, consultants, vendors, contractors, students and other parties maintaining any relationship with the school district to act with integrity, due diligence, and in accordance with all laws in their duties involving the school district's resources. The board is entrusted with public dollars and no one connected with the school district should do anything to erode that trust.

Internal control is the responsibility of all employees of the school district. The Superintendent, Director of Finance and Operations, and Board Secretary shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, or fiscal irregularities within the district subject to review and approval by the board. Administrators shall be alert for any indication of fraud, financial impropriety, or irregularity within the administrator's responsibility.

Any employee who suspects fraud, impropriety, or irregularity shall report their suspicions immediately to his/her immediate supervisor, the superintendent, or director of finance and operations. The superintendent shall have primary responsibility for any necessary investigations and shall coordinate investigative efforts with the board's legal counsel, auditing firm, and other internal or external departments and agencies, including law enforcement officials, as the superintendent may deem appropriate.

Employees bringing forth a legitimate concern about a potential impropriety will not be retaliated against and those who do retaliate against such an employee will be subject to disciplinary action up to, and including, discharge.

In the event the concern or complaint involves the superintendent, the concern shall be brought to the attention of the board president, who shall be empowered to contact the board's legal counsel, insurance agent, auditing firm, and any other agency to investigate the concern or complaint.

Upon approval of the board, the superintendent may contact the State Auditor or elect to employ the school district's auditing firm or State Auditor to conduct a complete or partial forensic/internal control/SAS99 audit annually or otherwise as deemed necessary. The superintendent is authorized to order a complete forensic audit if, in the superintendent's judgment, such an audit would be beneficial to the district. The superintendent shall ensure the State Auditor is notified of any suspected embezzlement or theft pursuant to Iowa law. In the event there is an investigation, records will be maintained for use in the investigation. Individuals found to have altered or destroyed records will be subject to disciplinary action, up to, and including termination.

(May 18, 2009; July 18, 2011; June 23, 2014; <DATE HERE>)

804.03R1 Internal Controls Regulation

Fraud, financial improprieties, or irregularities include, but are not limited to:

- Forgery or unauthorized alteration of any document or account belonging to the district.
- Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
- Misappropriation of funds, securities, supplies, or other assets.
- Impropriety in the handling of money or reporting of financial transactions.
- Profiteering because of “insider” information of district information or activities.
- Disclosing confidential and/or proprietary information to outside parties.
- Accepting or seeking anything of material value, other than items used in the normal course of advertising, from contractors, vendors, or persons providing services to the district.
- Destroying, removing, or inappropriately using district records, furniture, fixtures, or equipment.
- Failing to provide financial records to authorized state or local entities.
- Failure to cooperate fully with any financial auditors, investigators or law enforcement.
- Any other dishonest or fraudulent act involving district monies or resources.

The superintendent and/or the Director of Finance and Operations shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential.

If an investigation substantiates the occurrence of a fraudulent activity, the superintendent, and/or the Director of Finance and Operations, the Board President or Vice-President (if the investigation centers on the superintendent), or any other third-party properly authorized, shall issue a report to the board and appropriate personnel. The final disposition of the matter and any decision to file or not file a criminal complaint or to refer the matter to the appropriate law enforcement and/or regulatory agency for independent investigation shall be made in consultation with district legal counsel. The results of the investigation shall not be disclosed to or discussed with anyone other than those individuals with a legitimate right to know until the results are made public.

(<DATE HERE>)

804.04 Audit

The Board shall employ an auditing agency to perform an annual audit of the financial affairs of the school district. It shall be the responsibility of the superintendent to recommend to the board at the board's January meeting an auditing agency to review the school district's financial affairs.

The administration shall cooperate with the auditors. Results of the audit shall be made part of the official records of the board.

Should the State of Iowa demand or require that its personnel conduct a state audit, the district shall not be obligated to pay any cost in excess of those expenses incurred by the district employing a private sector auditor.

(April 12, 1971; April 17, 1989; July 15, 1991; July 7, 2003; July 18, 2011; June 23, 2014;
<DATE HERE>)

804.05 Sale Of Bonds

The board may conduct an election for the authority to issue bonded indebtedness. Revenues received from the issuing of bonded indebtedness shall be deposited into the capital projects fund.

Revenues generated from an approved bond issue shall be used only for the purpose stated on the ballot. Once the purpose on the ballot is completed, any balance remaining in a capital projects fund may be retained for future capital projects in accordance with the purpose stated on the ballot or any remaining balance may be transferred by board resolution to the debt service fund or the physical plant and equipment levy fund. Voter approval is required to transfer monies to the general fund from the capital projects fund.

(June 16, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

804.05R1 Post-Issuance Compliance Regulation for Tax Exempt Obligations

1. Role of Compliance Coordinator/Board Treasurer

The board treasurer shall:

- a. Be responsible for monitoring post-issuance compliance;
- b. Maintain a copy of the transcript of proceedings or minutes in connection with the issuance of any tax-exempt obligations and obtain records that are necessary to meet the requirements of this regulation;
- c. Consult with bond counsel, a rebate consultant, financial advisor, IRS publications and such other resources as are necessary to understand and meet the requirements of this regulation;
- d. Seek out training and education to be implemented upon the occurrence of new developments in the area and upon the hiring of new personnel to implement this regulation.

2. Financing Transcripts' Filing and Retention

The board treasurer shall confirm the proper filing of an IRS 8038 Series return and maintain a transcript of proceedings and minutes for all tax-exempt obligations issued by the school district including, but not limited to, all tax-exempt bonds, notes and lease-purchase contracts. Each transcript shall be maintained until 11 years after the tax-exempt obligation documents have been retired. The transcript shall include, at a minimum:

- a. Form 8038;
- b. Minutes, resolutions and certificates;
- c. Certifications of issue price from the underwriter;
- d. Formal elections required by the IRS;
- e. Trustee statements;
- f. Records of refunded bonds, if applicable;
- g. Correspondence relating to bond financings; and
- h. Reports of any IRS examinations for bond financings.

3. Proper Use of Proceeds

The board treasurer shall review the resolution authorizing issuance for each tax- exempt obligation issued by the school district and the school district shall:

- a. Obtain a computation of the yield on such issue from the school district's financial advisor;
- b. Create a separate Project Fund (with as many sub-funds as shall be necessary to allocate proceeds among the projects being funded by the issue) into which the proceeds of issue shall be deposited;
- c. Review all requisitions, draw schedules, draw requests, invoices and bills requesting payment from the Project Fund;
- d. Determine whether payment from the Project Fund is appropriate and, if so, make payment from the Project Fund (and appropriate sub-fund, if applicable);

- e. Maintain records of the payment requests and corresponding records showing payment;
- f. Maintain records showing the earnings on, and investment of, the Project Fund;
- g. Ensure that all investments acquired with proceeds are purchased at fair market value;
- h. Identify bond proceeds or applicable debt service allocations that must be invested with a yield-restriction and monitor the investments of any yield-restricted funds to ensure that the yield on such investments do not exceed the yield to which such investments are restricted;
- i. Maintain records related to any investment contracts, credit enhancement transactions and the bidding of financial products related to the proceeds.

4. Timely Expenditure and Arbitrage/Rebate Compliance

The board treasurer shall review the Tax-Exemption Certificate (or equivalent) for each tax-exempt obligation issued by the school district and the expenditure records provided in Section 2 of this regulation, above and shall:

- a. Monitor and ensure that proceeds of each such issue are spent within the temporary period set forth in such certificate;
- b. Monitor and ensure that the proceeds are spent in accordance with one or more of the applicable exceptions to rebate as set forth in such certificate if the school district does not meet the "small issuer" exception for said obligation;
- c. Not less than 60 days prior to a required expenditure date, confer with bond counsel and a rebate consultant, if the school district will fail to meet the applicable temporary period or rebate exception expenditure requirements of the Tax-Exemption Certificate. In the event the school district fails to meet a temporary period or rebate exception:
 - 1. Procure a timely computation of any rebate liability and, if rebate is due, file a Form 8038-T and arrange for payment of such rebate liability;
 - 2. Arrange for timely computation and payment of yield reduction payments (as such term is defined in the Code and Treasury Regulations), if applicable.

5. Proper Use of Bond Financed Assets

The board treasurer shall:

- a. Maintain appropriate records and a list of all bond financed assets. Such records shall include the actual amount of proceeds (including investment earnings) spent on each of the bond financed assets;
- b. Monitor and confer with bond counsel with respect to all proposed bond financed assets;
 - 1. management contracts;
 - 2. service agreements;
 - 3. research contracts;
 - 4. naming rights contracts;
 - 5. leases or sub-leases;
 - 6. joint venture, limited liability or partnership arrangements;
 - 7. sale of property; or

- 8. any other change in use of such asset.
- c. Maintain a copy of the proposed agreement, contract, lease or arrangement, together with the response by bond counsel with respect to said proposal for at least three years after retirement of all tax-exempt obligations issued to fund all or any portion of bond financed assets; and
- d. Contact bond counsel and ensure timely remedial action under IRS Regulation Sections 1.141-12 in the event the school district takes an action with respect to a bond financed asset, which causes the private business tests or private loan financing test to be met.

6. General Projects Records

For each project financed with tax-exempt obligations, the board treasurer shall maintain, until three years after retirement of the tax-exempt obligations or obligations issued to refund those obligations, the following:

- a. Appraisals, demand surveys or feasibility studies;
- b. Applications, approvals and other documentation of grants;
- c. Depreciation schedules;
- d. Contracts respecting the project.

7. Advance Refundings

The board treasurer shall be responsible for the following current, post issuance and record retention procedures with respect to advance refunding bonds. The board treasurer shall:

- a. Identify and select bonds to be advance refunded with advice from internal financial personnel and a financial advisor;
- b. Identify, with advice from the financial advisor and bond counsel, any possible federal tax compliance issues prior to structuring any advance refunding;
- c. Review the structure with the input of the financial advisor and bond counsel, of advance refunding issues prior to the issuance to ensure;
 - (1) that the proposed refunding is permitted pursuant to applicable federal tax requirements if there has been a prior refunding of the original bond issue
 - (2) that the proposed issuance complies with federal income tax requirements which might impose restrictions on the redemption date of the refunded bonds;
 - (3) that the proposed issuance complies with federal income tax requirements which allow for the proceeds and replacement proceeds of an issue to be invested temporarily in higher yielding investments without causing the advance refunding bonds to become "arbitrage bonds"; and
 - (4) that the proposed issuance will not result in the issuer's exploitation of the difference between tax exempt and taxable interest rates to obtain a financial advantage nor overburden the tax exempt market in a way that might be considered an abusive transaction for federal tax purposes.
- d. Collect and review data related to arbitrage yield restriction and rebate requirements for advance refunding bonds. To ensure such compliance, the board treasurer shall engage a rebate consultant to prepare a verification report in

- connection with the advance refunding issuance. Said report shall ensure said requirements are satisfied;
- e. Whenever possible, purchase State and Local Government Series (SLGS) to size each advance refunding escrow. The financial advisor shall be included in the process of subscribing SLGS. To the extent SLGS are not available for purchase, the Board treasurer shall, in consultation with bond counsel and the financial advisor, comply with IRS regulations;
 - f. Ensure, after input from bond counsel, compliance with any bidding requirements as set forth by the IRS regulations to the extent as issuer elects to the purchase of a guaranteed investment contract;
 - g. In determining the issue price for any advance refunding issuance, obtain and retain issue price certification by the purchasing underwriter at closing;
 - h. After the issuance of an advance refunding issue, ensure timely identification of violations of any federal tax requirements and engage bond counsel in attempt to remediate same in accordance with IRS regulations.

8. Continuing Disclosure

The board treasurer shall assure compliance with each continuing disclosure certificate and annually, per continuing disclosure agreements, file audited annual financial statements and other information required by each continuing disclosure agreement. The board treasurer will monitor material events as described in each continuing disclosure agreement and assure compliance with material event disclosure. Events to be reported shall be reported promptly, but in no event not later than 10 business days after the day of the occurrence of the event. Currently, such notice shall be given in the event of:

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults, if material;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements relating to the bonds reflecting financial difficulties;
- e. Substitution of credit or liquidity providers, or their failure to perform;
- f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices, or determinations with respect to the tax-exempt status of the bonds, or material events affecting the tax-exempt status of the bonds;
- g. Modifications to rights of Holders of the Bonds, if material;
- h. Bond calls (excluding sinking fund mandatory redemptions), if material and tender offers;
- i. Defeasances of the bonds;
- j. Release, substitution, or sale of property securing repayment of the bonds, if material;
- k. Rating changes on the bonds;
- l. Bankruptcy, insolvency, receivership or similar event of the Issuer;
- m. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other

than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(March 19, 2012; June 23, 2014; <DATE HERE>)

804.06 Capital Assets

The school district will establish and maintain a capital assets management system for reporting capitalized assets owned or under the jurisdiction of the school district in its financial reports in accordance with generally accepted accounting principles (GAAP) as required or modified by law; to improve the school district's oversight of capital assets by assigning and recording them to specific facilities and programs and to provide for proof of loss of capital assets for insurance purposes.

Capital assets, including tangible and intangible assets, are reported in the government-wide financial statements (i.e. governmental activities and business type activities) and the proprietary fund financial statements. Capital assets reported include school district buildings and sites, construction in progress, improvements other than buildings and sites, land and machinery and equipment. Capital assets reported in the financial reports will include individual capital assets with an historical cost equal to or greater than \$2500. The Federal regulations governing school lunch programs require capital assets attributable to the school lunch program with a historical cost of equal to or greater than \$500 be capitalized. Additionally, capital assets are depreciated over the useful life of each capital asset.

All intangible assets with a purchase price equal to or greater than \$25,000 with useful life of two or more years, are included in the intangible asset inventory for capitalization purposes. Such assets are recorded at actual historical cost and amortized over the designated useful lifetime applying a straight-line method of depreciation. If there are no legal, contractual, regulatory, technological or other factors that limit the useful life of the asset, then the intangible asset needs to be considered to have an indefinite useful life and no amortization should be recorded.

Phase III districts, as determined under GASB 34, will not retroactively report intangible assets. If actual historical cost cannot be determined for intangible assets due to lack of sufficient records, estimated historical cost will be used.

This policy applies to all intangible assets. If an intangible asset that meets the threshold criteria is fully amortized, the asset must be reported at the historical cost and the applicable accumulated amortization must also be reported. It is not appropriate to “net” the capital asset and amortization to avoid reporting. For internally generated intangible assets, outlays incurred by the government's personnel, or by a third-party contractor on behalf of the government, and for development of internally generated intangible assets should be capitalized.

The capital assets management system must be updated monthly to account for the addition/acquisition, disposal, relocation/transfer of capital assets. It is the responsibility of the superintendent to count and reconcile the capital assets with capital assets management system on June 30 each year.

It is the responsibility of the superintendent to educate employees about this policy and its supporting administrative regulations.

(June 16, 1997; July 7, 2003; September 15, 2003; November 1, 2010; July 18, 2011; June 23, 2014; <DATE HERE>)

804.06R1 Intangible Assets Reporting

Identifiable

An intangible asset should be recognized in the statement of net assets only if it is identifiable which means the asset is either:

- a) separable (i.e. it can be separated/divided from the government and sold, transferred, licensed, rented or exchanged) or
- b) arose from contractual or other legal rights, regardless of whether those rights are transferable or separable.

Criteria

GASB Statement 51 defines intangible assets as assets that are identifiable and possess all of the following characteristics:

- lack of physical substance,
- nonfinancial nature (not in monetary form like cash or investment securities) and
- initial useful life extending beyond a single reporting period.

Examples of intangible assets include easements, land use rights (i.e. water rights, timber rights and mineral rights), patents, trademarks and copyrights. In addition, intangible assets include computer software that is purchased, licensed or internally generated (including websites) as well as outlays associated with an internally generated modification of computer software.

Intangible assets can be purchased or licensed, acquired through non-exchange transactions or internally generated.

All intangible assets subject to the provisions of GASB Statement 51 should be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets (i.e. recognition, measurement, presentation, disclosure, etc.) should be applied to intangible assets as applicable.

Exclusions

GASB Statement 51 applies to all intangible assets except: (a) assets acquired or created primarily for purposes of directly obtaining income or profit (these intangible assets should be considered investments), (b) assets from capital lease transactions reported by lessees, except licensing agreements to lease commercially available computer software, and (c) goodwill created through the combination of a government and another entity.

Threshold for Capitalization

The establishment of an intangible asset capitalization threshold policy has been recommended by the County Finance Committee and adapted for LEAs and AEAs. The policy should be

approved by the Board of Education. The threshold is to be consistently applied by all departments and offices of the District for financial reporting purposes. All intangible assets valued at \$25,000 or more must be reported for the audit and Certified Annual Report (CAR), all other intangible assets are excluded.

Measurement/Recognition

Effective July 1, 2009, intangible assets exceeding the District's threshold should be recorded at actual historical cost. For business-type activities and enterprise funds capitalized interest and ancillary charges, if any, should be included in the historical cost.

Only direct costs will be capitalized (indirect costs will not be included).

Intangible assets received in a nonexchange transaction (i.e. donated) are to be recorded at their estimated fair value at the time of acquisition.

- The fair value of an asset is the amount at which the asset could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale. Therefore, it would be inappropriate to arbitrarily assign a nominal value to a donated intangible asset without applying a rational technique to estimate its fair value.

The threshold for intangible assets applies to individual assets and it is not acceptable to account for items in aggregate to meet the threshold limitations.

For internally generated intangible assets (see next page), outlays incurred by the District's personnel, or by a third-party contractor on behalf of the District, for development of internally generated intangible assets should be capitalized.

For internally generated computer software, outlays incurred during the application development stage (see next page) will be capitalized if they exceed the threshold. These outlays include the initial purchase of the computer software/license and modifications made to the software before it is placed into operation. The initial purchase of the software/license and modifications made should be analyzed separately for capitalization purposes (do not aggregate).

- Costs incurred prior to July 1, 2009, for internally generated computer software projects in the application development stage will not be capitalized. However, costs incurred July 1, 2009 and beyond, for these projects will be capitalized if exceeding the District's threshold.

Computer software licenses purchased/renewed will not be aggregated. Each individual license purchased/renewed will be measured against the District's threshold and the useful life must extend beyond a single reporting period in order for the license to be capitalized.

Internally Generated Intangible Assets

Internally generated intangible assets are created or produced by the District or an entity contracted by the District, or they are acquired from a third party but require more than minimal

incremental effort on the part of the District to begin to achieve their expected level of service capacity.

Outlays related to the development of an internally generated intangible asset that is identifiable should be capitalized only upon the occurrence of all three of the following:

Specified-Conditions Criteria

- a) Determination of the specific objective of the project and the nature of the service capacity that is expected to be provided by the intangible asset upon completion of the project.
- b) Demonstration of the technical or technological feasibility for completing the project so that the intangible asset will provide its expected service capacity.
- c) Demonstration of the current intention, ability, and presence of effort to complete or, in the case of a multiyear project, continue development of the intangible asset.

Only outlays incurred subsequent to meeting the above criteria should be capitalized; outlays incurred prior to this point should be expensed.

Internally Generated Computer Software

Computer software is considered internally generated if it is developed in-house by the District's personnel or by a third-party contractor on behalf of the District.

Commercially available software that is purchased or licensed by the District and modified using *more than minimal incremental effort* before being put into operation should be considered internally generated.

The development and installation of internally generated computer software can be grouped into three stages:

- 1) **Preliminary Project Stage:** involves conceptual formulation and evaluation of alternatives, determination of the existence of needed technology and final selection of alternatives for development of the software. *Expense* all outlays in this stage.
- 2) **Application Development Stage:** includes the design of the chosen path (i.e. software configuration, software interfaces), coding, installation to hardware, and testing. Data conversion activities could be included in this phase if those activities are deemed necessary to make the software operational. Capitalize all outlays incurred during this stage once the Specified-Conditions Criteria are met. (Note: the Specified-Conditions Criteria are considered met when the Preliminary Project Stage is complete and management authorizes/commits to funding the project.) Capitalization should cease when the computer software is substantially complete and operational.
- 3) **Post-Implementation/Operation Stage:** includes application training and software **maintenance**. Data conversion activities would be included in this stage if not deemed necessary to make the software operational. *Expense* all outlays in this stage.

Outlays associated with an internally generated modification of computer software that is already in operation should be capitalized if the modification results in any of the following:

- a) increase in functionality of the software (able to perform tasks that it was previously incapable of performing),
- b) increase in efficiency of the software (increase in level of service provided without the ability to perform additional tasks) or
- c) extension of the estimated useful life.

If the modification does not result in any of the three outcomes, the modification should be considered maintenance and expensed accordingly.

Amortization (Use Straight-Line Method)

The useful life of an intangible asset that arises from contractual or other legal rights should not exceed the period to which the service capacity of the asset is limited by those contractual or legal provisions. Contract renewal periods may be considered in determining the useful life of the intangible asset if there is evidence the District will seek and be able to achieve renewal and the anticipated outlay for renewal is nominal in relation to the level of service capacity obtained.

If there are no legal, contractual, regulatory, technological or other factors that limit the useful life of an intangible asset, then the intangible asset should be considered to have an indefinite useful life and no amortization should be recorded.

A useful life that must be estimated does not mean indefinite useful life.

Impairment

If changes in factors and conditions result in the useful life of an intangible asset no longer being indefinite, the asset should be tested for impairment because a change in the expected duration of use of the asset has occurred. The carrying value of the intangible asset, if any, following the recognition of any impairment loss should be amortized in subsequent reporting periods over the remaining estimated useful life of the asset.

A common indicator of impairment for internally generated intangible assets is development stoppage, such as stoppage of development of computer software due to changes in the priorities of management.

Retroactive Reporting

The District will not retroactively report the following intangible assets:

- 1) Those considered to have indefinite useful lives as of June 30, 2009.
- 2) Those that would be considered internally generated as of June 30, 2009.
- 3) Costs incurred prior to July 1, 2009, for internally generated computer software projects in the application development stage will not be capitalized. However, costs incurred July 1, 2009 and beyond, for these projects will be capitalized if exceeding the District's threshold.

Intangible assets (and related amortization) requiring retroactive reporting (for the period July 1, 1980 through June 30, 2009) will be reported at actual historical cost. This includes purchased software that is still in use, even if fully amortized as of June 30, 2009.

Miscellaneous

This policy must be applied to all intangible assets. If an intangible asset that meets the threshold criteria is fully amortized, the asset must be reported at the historical cost and the applicable accumulated amortization must also be reported. It is not appropriate to “net” the intangible asset and amortization to avoid reporting.

When intangible assets are sold or disposed of, it is necessary to calculate and report a gain or loss in the statement of activities. The gain/loss is calculated by subtracting the net book value (historical cost less any accumulated amortization) from the net amount realized on the sale or disposal.

(September 20, 2010; July 18, 2011; June 23, 2014; <DATE HERE>)

804.07 Expenditures for Public Purpose

The Board of Directors recognizes and supports the principle that District funds are to be expended only for legitimate public purposes and not for private personal gain for which services of comparable value have not been rendered to the District. The Board of Directors, therefore, believes it is important to designate those expenditures for officers, directors, employees, and volunteers, which are in addition to salaries and benefits authorized and/or specified in Board policy and legitimate expense reimbursement which serves a legitimate public purpose.

The Board of Directors authorizes the expenditure of District funds for District officers, directors, employees, and volunteers for the following purposes, as these are commonly-granted benefits for employees and volunteers in public and private organizations which aid in recruitment of personnel, promotes improvement of staff morale and cooperation, and assists in building a commitment to the District, thus assisting in creating a more productive learning environment.

This regulation is intended as guidance and there may be situations that are not listed below. Any questions regarding the appropriateness of an expenditure should be submitted to administration prior to expending funds. The following are considered appropriate expenditures:

- Mementos for employees for recognition of years of service to the District, provided the mementos are of modest expense.
- Memorial flowers to convey sympathy or congratulations.
- A retirement appreciation function to recognize retiring employees. Mementos may also be given to retirees, provided the mementos are of modest expense.
- A recognition item upon the end of service by a Board member.
- A recognition item for the president of the Board of Directors upon completion of service as president.
- A function to recognize the collective contributions of volunteers and/or contributors; Board members, employees, volunteers, and/or contributors, and a limited number of invited community members may be invited also.
- Staff appreciation meals (breakfast and/or lunch) to recognize employee contributions and to promote communication between Board members, administrators, and other staff members; Board members and a limited number of invited community members may be invited also.
- Meals for interviewees and members of the interview committee accompanying the interviewee at the time of an interview, provided the interview reasonably occurs during a normal mealtime.
- Meals may be served to Board members, administrators, and other school personnel required to be present a Board meeting, or Board committee meetings in order to enable the Board to continue with business without interruption, provided the interview reasonably occurs during a normal mealtime.
- Meals may be purchased for volunteers working in buildings during the day, from student activity funds, provided work is being performed and/or the volunteer is unable to leave the building during a normal mealtime.

- Meals for off-site professional development and conferences for Board members, board officers, and accompanying district staff (i.e., Iowa Association of School Boards Annual Convention) who are attending said professional development and conferences to promote effective and efficient board governance.
- The Superintendent may determine that the serving of food or refreshments is appropriate for selected occasions.
- Motivational items for employees that align with the Board's mission and vision for teaching and learning and enhance the climate and culture of the district, provided the items are of modest expense.
- It is within the discretion of the building principal to authorize the purchase of awards holding a nominal value to commemorate the achievements of a student or group of students. These awards should be designated to reward behavior and values that exemplify the educational and community mission of the district.
- Flowers and decorations for school dances held as part of the district's student activity program are an allowable expense paid out of the student activity fund, provided the purchases are approved by the building principal.
- Limited refreshments may be available in public reception areas of the district. These refreshments may be purchased with the use of public funds, as they provide light refreshment to members of the community.
- Microwaves, refrigerators, coffee pots, toaster ovens, and other similar equipment items may be purchased with public funds for use in public reception areas and employee break rooms. Otherwise, the items must be purchased with personal funds. These items are not authorized in classrooms and offices.

Other Items to Consider:

- The purchase of alcohol is never an acceptable use of public monies
- Gift cards are personal expenses and public funds should not be used for these purposes.
- All purchases through a district-owned credit or procurement cards shall be pre-approved and comply with the district's policy.
- The general purchase of personal clothing or other personal items (i.e., coffee mugs, pens, tote bags, t-shirts, apparel, etc.) where there is no specific purpose for said purchase is a personal expense and public funds shall not be used for this purpose.
- The District is Iowa sales tax exempt. All items purchased by a public school for the school's own use qualify for an exemption from sales tax if the items purchased relate to the educational process. When making purchases, the staff member must inform the vendor that the purchase is sales tax exempt. A vendor can request a tax exemption form from the district's Purchasing Department. The District will not reimburse for sales tax paid on purchases made on behalf of the school district.
- All food receipts must be itemized.
- Staff holiday decorations, cards, and parties are a personal expense and shall not be purchased with public funds.
- Student Activity Funds are public funds and are to be used to finance a program of co-curricular school activities supplementing, but not replacing, the activities provided by the District. Student Activity Funds are derived from the student body as a whole and shall be expended to benefit the student body as a whole.

- Individual employee and/or student receptions or parties are typically a personal expense and will not be purchased or reimbursed with public funds.

School/student activity banquets are typically a personal expense and will not be purchased or reimbursed with public funds unless the public purpose is submitted for review and pre-approved by the Superintendent.

(May 18, 2009; July 18, 2011; June 23, 2014; October 7, 2019)

805.01 School District Records

The South Tama County School District records shall be housed in the administrative offices of the school district. It shall be the responsibility of the board secretary to oversee the maintenance and accuracy of the records. The following records shall be kept and preserved, according to the schedule below:

- Secretary’s financial records Permanently
- Treasurer’s financial records Permanently
- Minutes of the Board of Directors Permanently
- Annual audit reports Permanently
- Annual budget Permanently
- Permanent record of individual pupil Permanently
- Records of payment of judgments against the school district 20 Years
- Bonds and bond coupons after maturity 10 Years
- Written contracts 10 Years
- Non-payroll personnel records 7 Years (or 1 yr. after termination)
- Affirmative Action materials 5 Years
- Canceled warrants, check stubs, bank statements, bills, invoices, and related records 5 Years
- Payroll records 3 Years
- Recordings of closed meetings 1 Year
- Program grants As determined by the grant

An inventory of the furniture, equipment, and other non-consumable items other than real property of the school district shall be conducted annually under the supervision of the Director of Finance and Operations. A perpetual inventory shall be maintained on consumable property of the school district.

The permanent and cumulative records of students currently enrolled in the school district shall be housed in the administrative office of the attendance center where the student attends. Permanent records must be housed in a fireproof vault. The building principal shall be responsible for keeping these records current. Records of students who have graduated or are no longer enrolled in the school district shall be housed in the central administrative office. These records will be maintained by the board secretary.

Personnel records shall be housed in the administrative offices of the school district. The personnel records shall be maintained by the superintendent, principal, and the board secretary.

Records that are sixty (60) years old or older are considered historical documents and shall be turned over to the Tama County Historical Society. These records include Board minutes, district documents, and other transactions by the district. Individual student records and employment records shall not be turned over as outlined above.

The superintendent may electronically store and/or back-up or use any other reliably mass storage method to preserve school district records and may destroy paper copies of the records if they are more than three years old. A properly authenticated reproduction of an electronic record meets the same legal requirements as the original record.

(April 12, 1971; April 17, 1989; March 18, 1991; May 15, 2000; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

805.01R1 Publication of Financial Records

Each month the schedule of bills allowed by the board shall be published in a newspaper designated as a newspaper for official publication. Annually, the total salaries paid to school district personnel regularly employed by the school district shall be provided to the media to be published in accordance with law in a newspaper designated as a newspaper for official publication.

It shall be the responsibility of the board secretary to provide the media with documents consistent with this policy.

(December 21, 1987; July 15, 1991; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)

805.02 Bonds for Officers and Employees

The Secretary and the Treasurer of the Board of Directors, the Activities Secretary and any School Business Officials shall each give bond to the school district in such amount as the Board may require, but in no case less than ten thousand dollars (\$10,000.00) with securities to be approved by the Board. Bonds shall be filed with the executive officers of the school district.

All other employees shall be covered by a blanket bond in the amount of at least \$1,000.00.

(April 12, 1971; July 15, 1991; June 20, 1994; July 7, 2003; July 18, 2011; June 23, 2014;
<DATE HERE>)

805.03 Insurance Program

The board will maintain a comprehensive insurance program to provide adequate coverage against major types of risk, loss, or damage, as well as legal liability. The comprehensive insurance program shall be reviewed once every three years.

The board will purchase insurance at replacement values, when possible, after reviewing the costs and availability of such insurance. Insurance will only be purchased through legally licensed Iowa insurance agents.

The school district will assume the risk of property damage, legal liability, and dishonesty in cases in which the exposure is so small or dispersed that a loss does not significantly affect the operation of the education program or financial condition of the school district.

Insurance of buildings, structures, or property in the open will not generally be purchased to cover loss exposures below \$1000 unless such insurance is required by statute or contract.

Administration of the insurance program, making recommendations for additional insurance coverage, placing the insurance coverage and loss prevention activities shall be the responsibility of the superintendent. The Superintendent and/or the Director of Finance and Operations shall be responsible for maintaining the fixed assets management system, processing claims and maintaining loss records. The board may retain a private organization for fixed assets management services.

(June 16, 1997; July 7, 2003; July 18, 2011; June 23, 2014; <DATE HERE>)