

Faribault Public Schools



Procurement and Purchasing Procedures Manual

July 1, 2015

UNIFORM GRANT GUIDANCE POLICY REGARDING FEDERAL REVENUE SOURCES

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INTRODUCTION

The following procedural manual is intended to provide an overview of the procurement and purchasing procedures for the Faribault Public Schools.

School districts are required by the federal Uniform Grant Guidance regulations, 2 C.F.R. Part 200, to have the policies which establish uniform administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities including school districts. The United States Office of Management and Budget published the final regulations December 26, 2013. The Uniform Grant Guidance is effective for new and continuation federal grant awards issued on or after December 26, 2014. The regulations do not affect grant funds awarded prior to December 26, 2014, unless funds made available under those grants are carried forward into a new federal fiscal year or a continuation grant. 2 C.F.R. § 200.110.

Faribault Public Schools is incorporated in the state of Minnesota under Minnesota Constitution Article 13 section 1, with powers and duties defined in Minnesota Statutes Chapter 123B.

Faribault Public Schools strives to empower, energize, and engage all students through its commitment to a quality education and creating an effective learning environment.

This manual shall document the financial operations of the Faribault Public Schools. Its primary purpose is to formalize accounting guidance and selected procedures for all staff who have a role in accounting processes and to document internal controls.

If a particular grant or award has provisions that are more restrictive than those in this manual, the more restrictive provisions will be followed only for that grant or award.

SECTION 1: GENERAL PROCEDURES

Finance Office Overview

Faribault Public Schools Structure

The Finance Office consists of nine staff members who manage and process financial information for Faribault Public Schools. The following positions comprise the Finance Office:

- Director of Finance and Operations
- Senior Controller
- Accounts Receivable
- Accounts Payable
- Payroll

Other officers and employees of Faribault Public Schools who have financial responsibilities are as follows:

- Superintendent
- Department Directors
- Human Resources Department
- Principals
- Chair – Board level
- Treasurer – Board level
- Clerk – Board level
- Vice-Chair – Board level

Department Responsibilities

The primary responsibilities of the Finance Office consist of:

- General ledger
- Budgeting
- Cash and investment management
- Asset management
- Grants and contracts administration
- Purchasing
- Accounts receivable and billing
- Cash receipts
- Accounts payable
- Cash disbursements
- Payroll

- Financial statement processing
- External reporting of financial information
- Bank reconciliation
- Compliance with government reporting requirements
- Annual audit
- Leases
- Insurance

Standards for Financial Management Systems

In accordance 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Faribault Public Schools maintains a financial management system that provides for the following. Specific procedures to carry out these standards are detailed in the appropriate sections of this manual.

1. Identification, in all its accounts, of all Federal awards received and expended and the Federal programs under which they were received.
2. Accurate, current, and complete disclosure of the financial results of each federally-sponsored project or program in accordance with the reporting requirements of 2 CFR Parts 200.327, Financial Reporting, and 200.328, Monitoring and Reporting Program Performance, and/or the award.
3. Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest and be fully supported by source documentation.
4. Effective control over and accountability for all funds, property, and other assets. Faribault Public Schools must adequately safeguard all such assets and ensure they are used solely for authorized purposes.
5. Comparison of outlays with budget amounts for each award.
6. Information that relates financial data to performance accomplishments and demonstrates cost effective practices as required by funding sources. (*2 CFR Part 200.301, Performance Measurement*)
7. Written procedures to minimize the time elapsing between the transfer of funds and disbursement by Faribault Public Schools. Advance payments must be limited to the minimum amount needed and be timed to be in accordance with actual, immediate cash requirements. *2 CFR Part 200.305 Payment*
8. Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of the 2 CFR Part 200 Subpart E, Cost Principles, and the terms and conditions of the award.

Financial Accounting System

The District's accounting is maintained on SMART Finance and SMART HR. Training and other assistance is offered by Region V. The SMART system enables the following to be incorporated regarding awards received:

- CFDA Title and Number
- Federal Award ID Number
- Fiscal Year of Award
- Federal Agency

Revenues and expenditures are recorded according to the UFARS manual maintained and updated by MDE.

Business Conduct

Practice of Ethical Behavior

Faribault Public Schools requires board members and district employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. All board members and school district employees are required to comply with all applicable laws and regulatory requirements. Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions. The reputation of Faribault Public Schools depends to a very large extent on the following considerations.

Each employee must apply her or his own sense of personal ethics, which should extend beyond compliance with applicable laws and regulations in business situations, to govern behavior where no existing regulation provides a guideline. Each employee is responsible for applying common sense in business decisions where specific rules do not provide all the answers.

In determining compliance with this standard in specific situations, employees should ask themselves the following questions:

1. Is my action legal?
2. Is my action ethical?
3. Does my action comply with Faribault Public Schools policy and procedures?
4. Am I sure my action does not appear inappropriate?
5. Am I sure that I would not be embarrassed or compromised if my action became known within the Faribault Public Schools or publicly?
6. Am I sure that my action meets my personal code of ethics and behavior?
7. Would I feel comfortable defending my actions on the 6 o'clock news?

Each employee should be able to answer "yes" to all of these questions before taking action.

Each board member and district employee is responsible for the ethical business behavior of her or his subordinates. School Board members and district employees must carefully weigh all courses of action suggested in ethical, as well as economic, terms and base their final decisions on these guidelines, as well as their personal sense of right and wrong.

Compliance with Laws, Regulations, and Faribault Public Schools Procedures

Faribault Public Schools does not tolerate:

- The willful violation or circumvention of any federal, state, local, or foreign law by an employee during the course of that person's employment.
- The disregard or circumvention of Faribault Public Schools guidelines or engagement in unscrupulous dealings.

Employees should not attempt to accomplish by indirect means, through agents or intermediaries, that which is directly forbidden.

The performance of all levels of employees will be measured against implementation of the provisions of these standards.

Specific Code of Ethics related to School Board Members can be found in School Board Policy No. 209 (Appendix A).

Specific Code of Ethics related to Administrators can be found in School Board Policy No. 309 (Appendix A).

Specific Code of Ethics related to Teachers can be found in School Board Policy No. 425 (Appendix A).

Conflicts of Interest

Introduction

In the course of business, situations may arise in which a Faribault Public Schools decision maker has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest.

All School Board members and district employees have an obligation to:

1. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of the Faribault Public Schools in dealing with outside entities or individuals,
2. Disclose real and apparent conflicts of interest to the School Board, and
3. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

What Constitutes a Conflict of Interest

All School Board members and district employees of Faribault Public Schools owe a duty of loyalty to the Faribault Public Schools. This duty necessitates that in serving the Faribault Public Schools they act solely in the interests of the Faribault Public Schools, not in their personal interests or in the interests of others.

Conflicts of interest arise when the interests of an interested party may be seen as competing with those of the Faribault Public Schools. Conflicts of interest may be financial (where an interested party benefits financially directly or indirectly) or non-financial (e.g., seeking preferential treatment, using confidential information).

A conflict of interest arises when a School Board member or district employee involved in making a decision is in the position to benefit, directly or indirectly, from his or her dealings with the Faribault Public Schools or person conducting business with the Faribault Public Schools.

Examples of conflicts of interest include, but are not limited to, situations in which a school board member or district employee:

1. Negotiates or approves a contract, purchase, or lease on behalf of the Faribault Public Schools and has a direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services.
2. Negotiates or approves a contract, sale, or lease on behalf of the Faribault Public Schools and has a direct or indirect interest in, or receives personal benefit from, the entity or individual receiving the goods or services.

3. Employs, or approves the employment of, or supervises a person who is an immediate family member of the director or employee.
4. Sells products or services in competition with the Faribault Public Schools.
5. Uses the Faribault Public Schools' facilities, other assets, employees, or other resources for personal gain.
6. Receives a substantial gift from a vendor, if the director or employee is responsible for initiating or approving purchases from that vendor.
7. Is a Board member of a financial institution that does business with the school district.

Specific Conflicts of Interest related to School Board Members can be found in School Board Policy No. 210 (Appendix B).

Honoraria Acceptance

A Faribault Public Schools employee shall not accept an honorarium for an activity conducted where district-reimbursed travel, work time, or resources are used, or where the activity can be construed as having a relationship to the employee's position with Faribault Public Schools. Such activity would be considered official duty on behalf of Faribault Public Schools. A relationship exists between the activity and the employee's position with Faribault Public Schools if the employee would not participate in the activity in the same manner or capacity if he or she did not hold his or her position with Faribault Public Schools. The employee should make every attempt to avoid the appearance of impropriety.

An employee may receive an honorarium for activities performed during regular non-working hours or while on annual leave if the following conditions are met:

- All expenses are the total responsibility of the employee or the sponsor of the activity in which the employee is participating.
- The activity has no relationship to the employee's Faribault Public Schools duties.

Nothing in this document shall be interpreted as preventing the payment to Faribault Public Schools by an outside source for actual expenses incurred by an employee in an activity, or the payment of a fee to Faribault Public Schools (in lieu of an honorarium to the individual) for the services of the employee. Any such payments made to Faribault Public Schools should be deposited to the Faribault Public Schools account and an appropriate entry should be made coded to the same program or department to which the employee's corresponding time was charged.

Disclosure Requirements

A School Board member or district employee who believes that he or she may be perceived as having a conflict of interest in a discussion or decision must disclose that conflict to the group

making the decision. Most concerns about conflicts of interest may be resolved and appropriately addressed through prompt and complete disclosure.

Therefore, Faribault Public Schools requires the following:

1. The Superintendent shall review all potential conflicts reported by employees, and the School Board shall review all potential conflicts reported by the Superintendent and determine appropriate resolution in accordance with the next section.
2. Prior to management, board, or committee action on a contract or transaction involving a conflict of interest, a district employee, or School Board member having a conflict of interest and who is in attendance at the meeting shall disclose all facts material to the conflict of interest. Such disclosure shall be reflected in the minutes of the meeting.
3. A district employee or School Board member who plans not to attend a meeting at which he or she has a reason to believe that the convening body will act on a matter in which the person has a conflict of interest shall disclose to the chair of the meeting all facts material to the conflict of interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
4. A person who has a conflict of interest shall not participate in or be permitted to hear the discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter.
5. A person who has a conflict of interest with respect to a contract or transaction that will be voted on at a meeting shall not be counted in determining a quorum for purposes of the vote. The person having a conflict of interest may not vote on the contract or transaction. Such person's ineligibility to vote and abstention from voting shall be reflected in the minutes of the meeting.
6. If required by Federal awarding agencies, Faribault Public Schools will notify those agencies in writing of any *potential* conflict of interest. (2 CFR Part 200.112, *Conflict of interest*)

Resolution of Conflicts of Interest

All real or apparent conflicts of interest shall be disclosed to the Superintendent of the Faribault Public Schools. Conflicts shall be resolved as follows:

- The chair of the Board shall be responsible for making all decisions concerning resolutions of the conflict involving the Superintendent
- The Superintendent or designee shall be responsible for making all decisions concerning resolutions of conflicts involving district employees.

A district employee may appeal the decision that a conflict (or appearance of conflict) exists by following the grievance procedures outlined in their bargaining unit agreement. If no grievance procedure exists, individuals will follow the steps outlined below:

- An appeal must be directed to the chair of the school board, with a courtesy copy to the Superintendent.
- Appeals must be made within 30 days of the initial determination.
- Resolution of the appeal shall be made by vote of the full School Board.
- Board members who are the subject of the appeal, or who have a conflict of interest with respect to the subject of the appeal, shall abstain from participating in, discussing, or voting on the resolution, unless their discussion is requested by the remaining members of the board.

If any employee becomes aware of any conflict of interest, such conflict of interest shall be reported to his or her supervisor as soon as practicable. If the supervisor is the person with the conflict of interest, the person who becomes aware of the conflict of interest shall report such conflict to the supervisor's supervisor.

Disciplinary Action for Violations of Conflict of Interest

The form of discipline imposed for violations of school laws and rules may vary from oral reprimand to termination of employment or discharge depending upon factors such as the nature of the violation, whether the violation was intentional, knowing and/or willful and whether the employee has been the subject of prior disciplinary action of the same or different in nature. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation will be afforded an opportunity to explain her or his actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee who authorizes or participates directly in actions that are a violation of school district policies;
2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of school district policies; and/or
3. Against any employee who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee who reports a violation of school district policies.

If a conflict of interest occurs:

1. The supervisor will conduct an investigation and determine appropriate disciplinary action. In an instance where any form of discipline is imposed, the employee's supervisor will:
 - A. Advise the employee of any inadequacy, deficiency or conduct which is the cause of the cause of the discipline, either orally or in writing. If given orally, the supervisor will document the fact that an oral warning was given to the employee specifying the date, time and nature of the oral warning.
 - B. Provide directives to the employee to correct the conduct on performance.

- C. Forward copies of all writings to the administrator in charge of personnel for filing in the employee's personnel file.
 - D. Allow a reasonable period of time, when appropriate, for the employee to correct or remediate the performance or conduct.
 - E. Specify the expected level of performance or modification of conduct to be required from the employee.
2. The school district retains the right to immediately discipline, terminate or discharge an employee as appropriate, subject to relevant governing law and collective bargaining agreements where applicable.

Forms of Discipline:

1. The forms of discipline that may be imposed by the school district in regard to a conflict of interest include, but are not limited to:
 - A. oral warning;
 - B. written warning or reprimand;
 - C. probation;
 - D. disciplinary suspension, demotion or leave of absence with pay;
 - E. disciplinary suspension, demotion or leave of absence without pay; and
 - F. dismissal/termination or discharge from employment.
2. Other forms of discipline, including any combination of the forms described above, may be imposed if, in the judgement of the administration, another form of discipline will better accomplish the school district's objective of stopping or correcting the offending conduct and improving the employee's performance.
3. In accordance with applicable federal agency policy, Faribault Public Schools will report in writing any potential conflicts of interest to the Minnesota Department of Education (MDE) at: 1500 Highway 36 West, Roseville, MN 55113.

Policies regarding School Board Members Conflict of Interest can be found in Policy 210 – “Conflict of Interest – School Board Members” in the School District policies (Appendix B).

Policies regarding Discipline, Suspension, and Dismissal of School District Employees can be found in Policy 403 - "Discipline, Suspension, and Dismissal of School District Employees" in the School District policies (Appendix C)

All employees involved in purchasing or supervision of purchasing shall receive a copy of the conflict of interest rules and shall sign a certification that he or she has received a copy and understands the conflicts policy.

Review of Procurement and Purchasing Procedures Manual

All employees involved in purchasing or supervision of purchasing shall receive a printed copy of the Faribault Public Schools Procurement and Purchasing Procedures Manual upon hire. Annually, all employees involved in purchasing or supervision of purchasing shall receive an electronic copy of the Faribault Public Schools Procurement and Purchasing Manual.

SECTION 2: EXPENDITURES AND DISBURSEMENTS

Purchasing Procedures

Overview

The guidelines and procedures described in this section apply to all purchases made by Faribault Public Schools.

Faribault Public Schools requires the practice of ethical, responsible, and reasonable procedures related to purchasing, agreements and contracts, and related forms of commitment. The guidelines in this section describe the principles and procedures that all staff shall adhere to in the completion of their designated responsibilities.

The goal of these procurement procedures is to ensure that materials and services are obtained in an effective manner and in compliance with the provisions of applicable federal statutes and grant requirements.

Responsibility for Purchasing

All department heads or their designees shall have the authority to initiate purchases on behalf of their department, within the guidelines described here. Department directors shall inform the Finance Office of all individuals that may initiate purchases or prepare purchase orders. The Finance Office shall maintain a current list of all authorized purchasers.

The Finance Office shall be responsible for processing purchase orders. The Director of Finance and Operations and Superintendent or designees have approval authority over all purchases and contractual commitments, and shall make the final determination on any proposed purchases where budgetary or other conditions may result in denial.

Code of Conduct in Purchasing (2 CFR Part 200.319)

Ethical conduct in managing the Faribault Public Schools' purchasing activities is absolutely essential. Staff must always be mindful that they represent the School Board and share a professional trust with other staff and the general membership.

- Staff shall discourage the offer of, and decline, individual gifts or gratuities of value in any way that might influence the purchase of supplies, equipment, and/or services.
- Staff shall notify their immediate supervisor if they are offered such gifts.
- No board member, district employee, or agent shall participate in the selection or administration of a contractor if a real or apparent conflict of interest would be involved. Such a conflict would arise if a board member, district employee or agent, or any member of his or her immediate family, his or her spouse or partner, or a Faribault Public

Schools that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the contractor selected.

- In compliance with the MN statutes, School Board members, district employees, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value, including any food or beverages, from vendors or parties to sub-agreements. Unsolicited gifts with a value of \$5 or less may be accepted.

Types of Purchases

Micro-Purchase: A micro-purchase is an acquisition of supplies and services of \$3,500.00 or less.

- Micro-purchases can be made without soliciting competitive quotations if the Faribault Public Schools determines the cost is reasonable and allowable.
- Faribault Public Schools will, to the extent practicable, distribute micro-purchases equitably among qualified suppliers.
- The \$3,500 limit applies to purchases made with Federal dollars. The limit for other purchases is \$25,000 as per Minn. Stat. 471.345 Sub. 5a, provided, "If the contract is made upon quotation it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt."

Small Purchase: A small purchase is an acquisition of supplies and services costing more than \$3,500 and less than \$175,000. This \$3,500 - \$175,000 range is for purchases made with Federal dollars. The range for other purchases is \$25,000 - \$175,000 as per Minn. Stat. 471.345 Sub. 4a, "the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof."

- Faribault Public Schools will obtain price and rate quotes from at least two qualified sources; more if possible when a larger number of vendors are available.
- Price/rate quotes will include documentation from vendors such as written quote, Internet price search (screen shot of internet site for documentation) or written documentation of a phone call that includes vendor name, vendor number and information given by vendor. Documentation will be kept on file.
- A cooperative bidding process through a state, local or regional entity (otherwise known as a "Cooperative Purchasing Venture") that solicits bids on behalf of the cooperative members in compliance with these procedures shall satisfy the requirements of this procedure.

Competitive Proposals and Sealed Bids: A competitive proposal is an acquisition of material, products and services costing more than \$175,000.

- If appropriate, Faribault Public Schools will utilize a sealed bid process.

- A sealed bid is appropriate when a complete, adequate and realistic specification or description of good or service is available. Such description shall not contain features which unduly restrict competition. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirement of procurement.
- Two or more responsible bidders are willing and able to compete effectively for the business.
- Selection among the responsive and responsible vendors can be made principally based on prices and whether it is a firm, fixed price contract.
- Whether or not a sealed bid is appropriate, Faribault Public Schools will award the contract to the responsible vendor whose proposal is most advantageous to the Faribault Public Schools, considering price and other factors and who has the ability to perform the contract terms successfully.
- For all requests for bids or proposals, Faribault Public Schools retains the right to reject all bids or proposals received if there is a sound documented reason and shall include in the bid documents the statement, “Faribault Public Schools retains the right to reject any or all offers.”
- The invitation to bid or submit a proposal shall be publicly advertised in a local newspaper designated as Faribault Public Schools’ “official newspaper”. All sealed bids shall be publicly opened at a time and place prescribed in the invitation to bid, at least two weeks after the invitation to bid or submit a proposal is published in the local newspaper.
- Where required by Section 200.325, bid and/or performance bonds shall be required.

Non-Competitive Proposal: Faribault Public Schools will only use a non-competitive proposal when:

- The item is only available from a single source
- There is public emergency that will not permit delay
- The federal awarding agency or pass-through expressly authorizes non-competitive proposals in response to a written request from Faribault Public Schools, **or**
- After soliciting a number of sources, competition is determined inadequate.

Competition (2 CFR Part 200.319)

In order to promote open and full competition, purchasers will:

- Be alert to any internal potential conflicts of interest;
- Be alert to any noncompetitive practices among contractors that may restrict, eliminate, or restrain trade;
- For federal awards, not permit contractors who develop specifications, requirements, or proposals to bid on such procurements;
- Award contracts to qualified bidders whose product or service is most advantageous in terms of price, quality, and other factors;
- Issue solicitations that clearly set forth all requirements to be evaluated;
- Reserve the right to reject any and all bids when it is in the Faribault Public Schools’ best interest;

- For federal awards, not give preference to state or local geographical areas unless such preference is mandated by Federal statute (200.319(b)); and
- “Name brand or equivalent” description may be used as a means to define the performance or requirements (200.319(c)(1)).

Nondiscrimination

All vendors or contractors who are the recipients of Faribault Public Schools funds or who propose to perform any work or furnish any goods under agreements with the Faribault Public Schools shall agree to these important principles:

1. Contractors will not discriminate against any employee or applicant for employment because of race, religion, color, sexual orientation, or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractors.
2. Contractors agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for meeting the intent of this section.

Procurement

Procurement Procedures

The following are the Faribault Public Schools’ procurement procedures.

1. Faribault Public Schools shall avoid purchasing items that are not necessary or duplicative for the performance of the activities required by a federal award. (2 CFR Part 200.318(d))
2. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical procurement for the federal government. (2 CFR Part 200.318(d)). This analysis should only be made when both lease and purchase alternatives are available to the program.
3. Purchasers are encouraged to enter into state and local inter-governmental or inter-entity agreements where appropriate for procurement of use of common or shared goods and services. (2 CFR Part 200.318(e))
4. Purchasers are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs. (2 CFR Part 200.318(f))
5. Documentation of the cost and price analysis associated with each procurement decision in excess of the MN bid law threshold (\$100,000) shall be retained in the procurement files. (2 CFR Part 200.323)

6. Faribault Public Schools will maintain records sufficient to detail the history of procurement, including: *(2 CFR Part 200.318(i))*

- a. Rationale for the method of procurement,
- b. Selection of contract type,
- c. Contractor selection or rejection, and
- d. The basis for the contract price.

7. Faribault Public Schools shall make all procurement files available for inspection upon request by a federal awarding agency.

8. Faribault Public Schools shall not utilize the cost-plus-a-percentage-of-costs method of contracting. *(2 CFR Part 200.323(d))*

All staff members with the authority to approve purchases made with federal awards will receive a copy of and be familiar with 2 CFR Part 200.400 – 475, Cost Principles.

Use of Purchase Orders

Faribault Public Schools utilizes a purchase order system. A properly completed purchase order may be required for each purchase decision (i.e., total amount of goods and services purchased, not unit cost), with the exception of travel advances and expense reimbursements, which require the preparation of a separate form described elsewhere in this manual. A properly completed purchase order may contain the following information:

1. Specifications or statement of services required,
2. Vendor name, address, and phone number,
3. Source of funding (if applicable),
4. Delivery or performance schedules,
5. Delivery, packing, and transportation requirements, (if applicable),
6. Special conditions (if applicable),
7. Catalog number, page number, etc. (if applicable),
8. Net price per unit, less discount, if any
9. Total amount of order,
10. Authorized signature, and
11. Date purchase order was prepared.

At the end of the fiscal year, outstanding purchase orders shall be reviewed by the Executive Director of Finance and Operations or designee, and either closed or carried forward to the next year.

Required Solicitation of Quotations from Contractors

Solicitations for goods and services (requests for proposals or RFPs) should provide for all of the following:

1. A clear and accurate description of the technical requirements for the material, product, or service to be procured. Descriptions shall not contain features which unduly restrict competition. (2 CFR Part 200.319(c)(1))
2. Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals. (See the next section entitled "Evaluation of Alternative Contractors" for required criteria.) (2 CFR Part 200.319(c)(2))
3. Technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards. (2 CFR Part 200.319(c)(1))
4. The specific features of "brand name or equal" descriptions that bidders are required to meet when appropriate. (2 CFR Part 200.319(c)(1))
5. A description of the format, if any, in which proposals must be submitted, including the name of the person to whom proposals should be sent.
6. The date by which proposals are due.
7. Required delivery or performance dates/schedules.
8. Clear indications of the quantity(ies) requested and unit(s) of measure.

Extension of Due Dates and Receipt of Late Proposals

Solicitations should provide for sufficient time to permit the preparation and submission of offers before the specified due date. However, an extension may be granted if a prospective offeror so requests.

Contractor proposals are considered late if received after the due date and time specified in the solicitation. Late proposals shall be so marked on the outside of the envelope and retained or returned to the proposer. Contractors that submit late proposals shall be notified that their proposal was late and could not be considered for award.

Evaluation of Alternate Contractors

Contractors shall be evaluated on a weighted scale that considers some or all of the following criteria as appropriate for the purchase:

1. Adequacy of the proposed methodology,
2. Skill and experience of key personnel,
3. Demonstrated experience,
4. Other technical specifications designated by the department requesting proposals,
5. Compliance with administrative requirements of the request for proposal (format, due date, etc.),
6. Contractor's financial stability,
7. Contractor's demonstrated commitment to the governmental sector,
8. Results of communications with references supplied by the proposer,
9. Ability/commitment to meeting time deadlines,
10. Cost,
11. Minority- or women-owned business status of vendor, and
12. Other criteria (to be specified by the department requesting proposal).

Not all of the preceding criteria may apply in each purchasing scenario. However, the department responsible for the purchase shall establish the relative importance of the appropriate criteria prior to requesting proposals and shall evaluate each proposal on the basis of the criteria and weighting that have been determined.

After a contractor has been selected and approved by the Department Director, the final selection shall be approved by others according to Faribault Public Schools' purchasing approval procedures.

Affirmative Consideration of Minority, Small Business, and Women-Owned Business (2 CFR Part 200.321)

Positive efforts shall be made by Faribault Public Schools to utilize small businesses, minority-owned firms, women's business enterprises, and labor surplus area firms whenever possible. Therefore, the following steps shall be taken:

1. Ensure that small business, minority-owned firms, women's business enterprises, and labor surplus area firms are used to the fullest extent practicable. (2 CFR Part 200.321)

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2. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small business, minority-owned firms, women's business enterprises and labor surplus area firms. (2 CFR Part 200.321(b)(4))

3. Consider in the contract process whether firms competing for larger contracts tend to subcontract with small businesses, minority-owned firms, and women's business enterprises. (2 CFR Part 200.321(b)(6))

4. Encourage contracting with consortiums of small businesses, minority-owned firms, women's business enterprises, and labor surplus area firms when a contract is too large for one of these firms to handle individually. (2 CFR Part 200.321(b)(3))

5. Use the services and assistance, as appropriate, of such Faribault Public Schools as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the minority-owned firms and women's business enterprises. (2 CFR Part 200.321(b)(5))

Availability of Procurement Records

Faribault Public Schools shall, on request, make available for the federal awarding agency, pre-award review and procurement documents, such as requests for proposals, when any of the following conditions apply:

- The process does not comply with the procurement standards in 2 CFR Part 200. (2 CFR Part 200.324(b)(1))
- The procurement is expected to exceed the Minnesota-defined simplified acquisition threshold (\$175,000) and is to be awarded without competition or only one bid is received. (2 CFR Part 200.324(b)(2))
- The procurement exceeds the simplified acquisition threshold and specifies a "name brand" product. (2 CFR Part 200.324(b)(3))
- The proposed award exceeds the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed-bid procurement. (2 CFR Part 200.324(b)(4))
- A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the simplified acquisition threshold. (2 CFR Part 200.324(b)(5))

Provisions included in All Contracts

Faribault Public Schools includes all of the following provisions, as applicable, in all contracts charged to federal awards (including small purchases) with vendors and sub-grants to grantees:

1. Contracts for more than the simplified acquisition threshold currently set at \$175,000 must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

2. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

3. **Equal Employment Opportunity:** All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

4. **Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7):** When required by Federal program legislation, all construction contracts of more than \$2,000 awarded by Faribault Public Schools and its subrecipients shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction").

5. **Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333):** Where applicable all contracts awarded by Faribault Public Schools in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Works Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5).

6. **Rights to Inventions Made Under a Contract or Agreement:** Contracts or agreements for the performance of experimental, developmental or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Faribault Public Schools and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the award agency.

7. **Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended:** Contracts and subgrants of amounts in excess of \$175,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.). Violations

shall be reported to the federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

8. Mandatory standards and procedures relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

9. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352):** For all contracts or subgrants of \$175,000 or more, Faribault Public Schools shall obtain from the contractor or subgrantee a certification that it will not and has not used federal appropriated funds to pay any person or Faribault Public Schools for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. 1352.

10. **Debarment and Suspension (E.O.s 12549 and 12689):** No contract shall be made to the parties listed on the General Services List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.'s 12549 and 12689, "Debarment and Suspension."

Non-Competitive Purchases

Emergencies:

Where equipment, materials, parts, and/or services are needed, quotations will not be necessary if the health, welfare, safety, etc., of staff and protection of Faribault Public Schools property is involved. The reasons for such purchases will be documented in the procurement file.

Single Distributor/Source:

Sole source purchases contracts may be made when one or more of the following conditions apply:

- The item or service is only available from one source;
- The situation is an emergency and will not permit a delay resulting from competitive solicitation;
- The awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request; or
- After solicitation, competition is deemed inadequate (insufficient bidders).

Approval from the awarding agency or pass-through entity may be required.

Right to Audit Clause

Faribault Public Schools requires a "Right to Audit" clause in all contracts between the Faribault Public Schools and vendors that either:

1. Take any form of temporary possession of assets directed for the Faribault Public Schools, or
2. Process data that will be used in any financial function of the Faribault Public Schools.

This Right to Audit clause shall permit access to and review of all documentation and processes relating to the contractor's operations that apply to Faribault Public Schools, as well as all documents maintained or processed on behalf of Faribault Public Schools, for a period of three years. The clause shall state that such audit procedures may be performed by Faribault Public Schools employees or any outside auditor or contractor designated by the Faribault Public Schools.

Contractor Files and Required Documentation

The Finance Office shall supply a blank Form W-9 to new contractor and request that the contractor complete, sign and return the W-9 (or provide equivalent, substitute information). Completed, signed Forms W-9 or substitute documentation shall be filed. See the section on "Payroll and Related Items" for guidance on determining whether a vendor should be treated as an employee.

Procurement Grievance Procedures

Any bidder may file a grievance with Faribault Public Schools following a competitive bidding process. Once a selection is made, bidders must be notified in writing of the results. The written communication mailed to bidders must also inform them that they may have a right to appeal the decision. Information on the Faribault Public Schools' appeal procedures must be made available to all prospective contractors or subgrantees upon request, including the name and address of a contact person, and a deadline for filing the grievance. Grievances are limited to violations of federal laws or regulations, or failure of the Faribault Public Schools to follow its own procurement guidelines.

Contract Administration

Faribault Public Schools is required to have procedures on contract administration. (2 CFR Part 200.318(b)) Therefore, all contract managers will adhere to the following procedures.

1. Contract administration files shall be maintained:
 - a. For each contract greater than [\$25,000] a separate file shall be maintained.
 - b. For contracts less than [\$25,000], contract records may be combined in a single file by grant or other funding source.
2. Contract administration files shall contain:

a. The required documentation specified in the authorizations and purchasing limits table for the original scope of work and for all amendments.

b. Where the contract work is identified in the grant award or budget, the identification and scope of the work contained in the award or budget, and all approved changes.

3. Authorization of work:

a. No work shall be authorized until the contract for the work has been approved and fully executed.

b. No change in the work shall be authorized until an amendment to the contract for the work has been approved.

c. No amendment of a contract for work shall be executed until it has been approved and authorized as required in the Authorizations and Purchasing Limits table and, where required by the terms of the grant award or budget, approval by the funding source.

4. Conformance of work:

a. For each grant award, based on the applicable laws, regulations and grant provisions, the Department Director shall establish and maintain a system to reasonably assure contractor:

i. Conformance with the terms, conditions, and specifications of the contract, and

ii. Timely follow-up of all purchases to assure such conformance and adequate documentation.

5. The Department Director will authorize payment of invoices to contracts after final approval of work products.

Methods of Procurement

The Business Office is responsible for overseeing the procuring of supplies, equipment, and services necessary to provide a quality instructional program for students and staff.

Methods available to the District staff to purchase goods and services generally fall into three categories:

Purchase of Goods and Services: To procure goods or outside services not provided by staff, the individual staff or department should submit a purchase requisition to the appropriate budget manager. The budget manager reviews, codes, and approves the requisitions and enters it into the SERVS Financial System for electronic approval. Once the purchase requisition is reviewed, coded, and electronically approved, the business office submits the final electronic purchase order (PO).

P-Card Purchases: The use of a District Credit Card to make purchases.

Direct Purchases: In very limited circumstances staff may need to make purchases directly. Reimbursement for direct purchases is completed through Accounts Payable.

Note: If a purchase is in direct conflict with the policies or procedures of Faribault Public Schools, the expenditure will be disallowed.

Purchases of Goods and Services

1. Supplies, equipment, and services shall be requested by a purchase order or voucher request form.
2. All purchases shall be processed in accordance with applicable government regulations.
3. The Business Office shall provide the means to procure the necessary supplies, equipment, and services when needed, of optimal quality at the lowest price that are consistent with given quality and delivery requirements.
4. Each individual who has budget control shall maintain appropriate records of vendor receipts.
5. Individuals having budget control, together with the Business Office, shall ensure prompt payment of invoices.
 - A. A separate requisition is required for each vendor.
 - B. No more than three (3) different budget accounting codes shall be used on a requisition.

Preparing the Requisition Form

1. A general education teacher, administrator, or department head (requisitioner) wants to purchase services, supplies, and/or materials for their classroom, building, or program.
2. The requisitioner's obtains an electronic or paper copy of the Independent School District 656 Purchase Order form. The Independent School District 656 Purchase Order form has a number of different parts including an area for coding the purchase, an area for vendor information, a grid to list the requested items, and an area for approval signatures. The requisitioner is responsible for filling in the vendor information, the grid listing the requested items, and their signature. The budget manager (principal or department head) is responsible for coding the purchase and allocating amounts to each budget code. The Purchase Order contains the following sections
 - (1) Top Section: This area is for communicating encumbrance information. It is a summary of costs by budget accounting code(s) listed below. If all items, being requisitioned, have the same budget accounting code, that code shall be shown in this area only. Do not

repeat that code below.

- (2) Vendor - The name and address of the supplier of all items listed.
- (3) Ship To - the destination of the material. All furniture, equipment, secondary library books, secondary textbooks, and magazines should be delivered directly to the schools.
- (4) Date Required - The delivery date or dates required by the requisitioner for the materials or services.
- (5) School Year - The school year that the items are to be put into use.
- (6) Item, Quantity, Description, and Total - In this area, the requisitioner should list the item's identifying number; the quantity desired; a complete description of the material or services required including any catalog numbers, manufacturers numbers, sizes, and colors that might be available; and the total cost of the items. Include a line for shipping and handling.
- (7) Total Cost - This is the total cost of all items listed on the purchase requisition. This total must also equal the amount(s) shown in the encumbrance area (1) above and should include shipping and handling.
- (8) Requisitioner - The individual who will use the material or service requisitioned or who the material will be delivered to. Print or type name. Also provide date the requisition was prepared and submitted for approval.

NOTE: When the Purchase Order has been completed, the requisitioner should make a copy to file in requisitioner's records for future follow-up. Forward a separate copy to the principal or director for authorization.

Approval Responsibility

The principal or cognizant Budget Manager or designee shall approve or disapprove the Purchase Order by signing or not signing the paper copy of the Purchase Order. After approval, the purchase requisition should be dated and forwarded to the Administrative Assistant responsible for entering the Purchase Order into the SMART electronic budget system. If disapproved, return all copies to the requisitioner with the reason for disapproval.

Create Purchase Requisitions in SMART

A. Create a Requisition in SMART -

1. Navigate to the Purchase Orders menu and select Requisition.
2. The Requisition screen appears.
3. Click the New button.

4. On the top half of the screen...
 - a) Requester will default. Change if needed.
 - b) Requester phone will default in from User Setup screen. Change or leave blank.
 - c) Company defaults to district number.
 - d) Status defaults to Open.
 - e) Required Date is optional (the date when the product is needed)
 - f) Location Code will default. Change if needed.
 - g) PO Category. Optional
 - h) Comment - Suggestion is to use this as an ATTN line. This line appears directly below the Ship To Address information on the PO. Enter the name and building / school of the person requesting goods.
 - i) Buyer. Enter the buyer code or use the pull-down menu to select a buyer. This will be the requisition clerk's name or initials. The name and phone number will print on the purchase order form.
 - j) Specify Vendor - Double click in the vendor field for lookup capability.
 - k) Mail To will default in if the vendor has an alternate purchase address.
5. On the bottom half of the screen, fill in the columns:
 - a) SKU (required) - R will default. Change this to S for Shipping and Handling detail lines. Also use S for a total discount detail line.
 - b) **Description - Include the catalog order number and brief description of the item being ordered. There are 150 characters available in this field.**
 - c) Units
 - d) U. Type
 - e) Discount % (if you are expecting to receive a discount from Vendor)
 - f) Rate (When you tab or click out of this field, the system calculates the total cost.)
 - g) Account Code - there are two ways to select an account code:
 - Typing in the account code: Enter the type, fund, org, pro, crs, fin, and obj/src codes in the appropriate columns.
 - Selecting the account code from a list of accounts.
 - h) The period number will default to the AP period in Session Defaults. Change if needed. This field must be the same for all detail lines
 - i) Id will default in requester, change if needed.
6. Click the Save button. The system assigns a requisition number to the requisition and saves. A warning message will be displayed if the account(s) exceed the budget.
7. Return to the Requisition tab and Click Save when done.

Routing a Requisition for Approval

Once the electronic Purchase Order is saved, it will route for electronic approval from the budget manager as a secondary check to make sure the purchase is approved.

Final Action - When the above items have been completed the purchase order is printed and mailed to the vendor and the requisitioning cycle is complete.

Rejecting a Purchase Requisition

If a Purchase Requisition is rejected, the budget manager will return a copy of the Purchase Requisition to the requisitioner with the reason for rejection if a purchase order cannot be created.

Procedures for Emergency or Call-In Ordering

This procedure describes the system to be used for emergency type procurement of supplies, equipment, and services. It is to be used only when the requisitioning procedure would not satisfy the delivery requirements.

- A. Complete the standard purchase requisition form.
- B. A telephone call or personal visit to the Business Office is necessary to obtain a purchase order number. The following information will be required:
 1. Requisitioners name
 2. Vendor name
 3. Requisition number
 4. School name
 5. Transaction amount (approximate)
 6. Budget account numbers
- C. Get purchase order number from Purchasing and insert in space provided on the purchase requisition. Indicate confirming order in appropriate box on the purchase requisition.
- D. After securing a purchase order number contact the vendor and give the following information.
 1. Your name and school
 2. Billing address
 3. Ship to address
 4. Material desired
 5. Purchase order number
 6. Delivery information
- E. If the material is picked up by the requisitioner mark received across the face of the purchase requisition.
- F. Send the requisition to Purchasing for processing, within 24 hours.

The need for emergency type procurement is recognized, however, every effort should be made to keep these situations at a minimum. This can only be achieved by foreseeing needs and

placing requests as far in advance as possible.

Purchase order numbers will be given only to those persons who have authority to approve Purchase Requisitions. See Approval Responsibility.

Bid or Quote Procedure

This procedure describes the state and district regulations that must be adhered to when ordering from outside vendors.

Purchases under \$25

NOTE No written or verbal quotes are necessary on purchases under \$50.00.

Due to the expense involved in processing purchase requisitions, those having a total less than \$25.00 should be held to a minimum.

Purchases under \$25.00 may be accomplished by one of the following methods:

- A. Petty cash transaction - See petty cash procedures.
- B. Purchase requisition - See purchase requisition procedures.

Purchases Under \$500

Purchases totaling \$25.00 to \$500.00 shall follow the Purchase Requisition Procedure unless prior arrangements have been made with the Business Office.

Although state law does not require bids or quotations on items or services less than \$500.00 it will be general practice to secure informal quotations on items controversial or competitive in nature. This decision is left to the discretion of the Business Office.

Purchases Under \$10,000

The following is from 1977 Session Laws, Chapter 182, Uniform Municipal Contracting Amendments:

For Contract amounts less than \$5,000, the contract may be made by quotation or in the open market at the discretion of the governing body, but whenever practicable shall be based on at least two quotations.

For contract amounts more than \$5,000, but not exceeding \$10,000, sealed bids may be

solicited or the contract may be made by direct negotiation by obtaining two or more quotations when possible, but without advertising for bids.

If in doubt about the need for quotations or bids, please contact Purchasing for information.

Purchase Over \$10,000

State law requires formal sealed bids for all purchases on contracts that exceed \$10,000. The Business Office shall solicit sealed bids for all such contracts. Due to the time involved in securing formal bids it is important to establish needs as far in advance as possible.

The Board of Education must authorize the signing of any purchase order or other contract that exceeds \$10,000 by passing a motion or resolution at a regular board meeting.

Bid Cycle

1. Draw Specifications - Preparation of a detailed description of the commodity or project. The drawing of specifications may take from less than one week, in the case of a stock item, to several months for construction projects requiring blueprints, building permits, zoning changes and approval by the School Board and/or the Dept. of Education.
2. Advertise for bids - An advertisement must appear in the official newspapers on two occasions. Allow two weeks.
3. Bid Opening - The day when bids will be opened is generally the last day bid are accepted. This date occurs at least one week after the last day that bids are advertised.
4. Bid Analysis - An analysis is made of each bid in order to determine what is the lowest bid, by a qualified bidder, that will meet or exceed the quality established by the specifications.

Receiving Procedures - Schools

This procedure describes the receiving of merchandise at the schools and for the proper disposition of paperwork.

Receiving Merchandise

NOTE: The requisitioners' copy and requisitioners' confirming copy are filed together by the requisitioner awaiting delivery.

1. Requisitioner's responsibility:

- A. Check number of packages against delivery papers or packing slips. Check for visible external damage and have driver note on delivery receipt.
- B. Sign delivery receipt.
- C. Open and inspect materials for damage and quantity received. If necessary contact Purchasing and request inspection or clarification.
- D. File packing slip or delivery papers with requisitioners' copy of purchase order and await invoice from accounts payable. If no packing slip or delivery documents accompany merchandise, mark material received on the requisitioners' copy of the purchase order.

Invoice Approval

1. Requisitioners' responsibility:

- A. When the invoice is received from accounting, match against delivery receipts for verification. If a difference occurs contact Purchasing.
 - B. When the invoices are received from accounting, the requisitioner should match the material he/she has received against the invoice and if in order follow the procedure outlined below.
 - C. Approval is accomplished by recording the following information on the invoice:
 - 1. Requisitioner's signature
 - 2. Current date
 - D. Forward approved invoice to Accounts Payable.
2. It is extremely important that the requisitioner return all invoices to Accounts Payable as soon as verification of receipt can be made. The requisitioner will be held responsible for any delay in returning of invoices to Accounts Payable.

Receiving Procedure - Warehouse

A designated individual assigned responsibility for receiving shall inspect all goods received. Upon receipt of any item from a contractor, the following actions shall immediately be taken.

- 1. Review bill of lading for correct delivery point.

2. Verify the quantity of boxes/containers with the bill of lading.
3. Examine boxes/containers for exterior damage and note on the bill of lading any discrepancies (missing or damaged boxes/containers, etc.).
4. Sign and date the bill of lading.
5. Remove the packing slip from each box/container.
6. Compare the description and quantity of goods per the purchase order to the packing slip.
7. Examine goods for physical damage.
8. Count or weigh items, if appropriate, and record the counts on the purchase order.

This inspection must be performed in a timely manner to facilitate prompt return of goods and/or communication with contractors.

Purchasing Action - Delivery Discrepancies

This procedure is established so that all outlying sites will understand what action Purchasing will initiate in the event there is a discrepancy in quantity received from the vendor or damage of merchandise when received from the carrier.

Purchasing responsibility:

- A. It is the responsibility of the individual who receives the merchandise to notify Purchasing when quantities received do not match quantities shown on the packing slip.
- B. Purchasing will notify the vendor by phone, if local, and/or in writing for an adjustment.
- C. Purchasing will notify either the Warehouse or requisitioner depending on where material was received, on what adjustment has been made.
- D. Purchasing will instruct Accounting on the necessary action to be taken when the invoice is received.

Damaged Material

1. If the damage is not known until after the material has been delivered it is essential that Purchasing be notified immediately. If the individual who receives the material is aware of the damage at time of delivery, note damage on the packing slip and contact

Purchasing.

2. Purchasing will request: A. Inspection of material by the vendor B. Adjustment and/or replacement This action will be confirmed by phone if local and followed up in writing.
3. After corrective action has been taken to the satisfaction of Purchasing and the Requisitioner, the material will either be put into use or returned to the vendor.

Special Education Specific Procedures:

Special Education Requisition Procedures

1. A Special Education teacher wants to purchase services, supplies and/or materials for the special education classroom or for an individual student, which are one of the following:
 - a. Item specific to one special education student identified as needed in the student's Individual Education Program
 - b. Items needed in the special education classroom to deliver the education program for the special education students that would not be needed in a general education classroom
 - c. Other teacher supply items that would not be needed in a general education classroom.
2. The teacher fills out an electronic or print copy of the Special Education Purchase Requisition form, which goes to the Director of Special Services Administrative Assistant (one form per vendor). The form needs to include the following information:
 - a. Explanation of how the items will be used
 - b. Who will be using the items
 - c. How/why the requested items are a special education need
 - d. The IEP goal page, service page and/or adaptations page for the students the item is for
 - e. Additional documentation as needed
3. If the purchase price of the item exceeds \$500, the Administrative Assistant checks the Department of Administration State Procurement website (<http://www.mmd.admin.state.mn.us>) and Cooperative Purchasing Venture website to determine if a vetted vendor sells the supplies or materials requested. If so, the Administrative Assistant creates a purchase order with the appropriate codes and routes it to the Director of Special Services for approval. The Director of Special Services checks for proper coding of the purchase and approves the purchase in the SMART Finance system if:
 - a. The amount of the requisition fits within the remaining budget amount available and appears to be a good use of the funds. If the requisition amount exceeds the amount available, the Director of Special Services checks with the Director of Finance whether the requisition may be approved, as required by the IEP.
 - b. The purchase is consistent with the IEP for the individual student or meets one of the other criteria mentioned in (1) above.

4. If the supplies and materials are under \$500 or not available through a vetted vendor on the Cooperative Purchasing Venture website, the Administrative Assistant creates a purchase order for another vendor who sells the requested supplies and materials with the appropriate codes and routes it to the Director of Special Services for approval. The Director of Special Services checks for proper coding of the purchase and approves the purchase in the SMART Finance system if:
 - a. The amount of the requisition fits within the remaining budget amount available and appears to be a good use of the funds. If the requisition amount exceeds the amount available, the Director of Special Services checks with the Director of Finance whether the requisition may be approved, as required by the IEP.
 - b. The purchase is consistent with the IEP for the individual student or meets one of the other criteria mentioned in (1) above.
5. Once approved by the Director of Special Services, the requisition is transferred to the Business Office, a Purchase Order is generated and the goods are ordered.
6. The goods are shipped to the District Office to be checked for accuracy. Upon arrival, the Administrative Assistant:
 - a. Reviews bill of lading for correct delivery point.
 - b. Verifies the quantity of boxes/containers with the bill of lading.
 - c. Examines boxes/containers for exterior damage and notes on the bill of lading any discrepancies (missing or damaged boxes/containers, etc.).
 - d. Signs and dates the bill of lading.
 - e. Removes the packing slip from each box/container.
 - f. Compares the description and quantity of goods per the purchase order to the packing slip.
 - g. Examines goods for physical damage.

This inspection is performed in a timely manner to facilitate prompt return of goods and/or communication with contractors if needed.

7. The Special Education Administrative Assistant electronically receives the goods in the SMART finance system so the business office is aware that the goods have arrived in good condition and the invoice can be paid. When necessary, the goods are inventoried and labeled.
8. The goods are then sent by the Special Education Administrative Assistant to their final destination.

Special Education Staff Travel

Travel Costs: Mileage reimbursement will be paid to staff for travel between the District Office and other locations at which they are assigned to work. Reimbursement will be made monthly based on mileage logs submitted. Mileage is reimbursed at the current IRS rate or as otherwise established by the Board.

Special Education Third Party Billing

Third party billing for Medical Assistance and MinnesotaCare is primarily the responsibility of the Third Party Consultant. However, the District shall seek reimbursement from third parties for the cost of services provided by the District staff whenever the services provided are otherwise covered by the child's health coverage. This will be done in accordance with Minn. Stat. Sec. 125A.21, Subd.2.

Third party revenues received from Third Party Consultant shall be coded UFARS Source Code 071 and used to benefit students with IEPs in accordance with Minn. Stat. section 125A.31, Sub.3.

Special Education Inventory Management

The District will keep an inventory of equipment items purchased with special education funds. "Equipment" means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds \$1,500. Items that do not meet the \$1,500 threshold but are "sensitive" in nature (such as portable technology devices that are not able to be tracked and turned off remotely) will be included on the inventory. Property records of all equipment and "sensitive" items shall be conducted and the results reconciled with the property records at least once every two years. Any loss, damage or theft must be investigated. When equipment is no longer needed it will be disposed of properly and in accordance with federal, state, and local laws, with the goal to ensure the highest possible return.

All items not meeting the definition of equipment shall be considered supplies. Supplies shall not be inventoried; however, each employee shall be responsible to effectively control and account for all supplies trusted to their care. Each employee shall properly safeguard supplies and ensure they are used solely for authorized purposes.

All property of the District shall be insured to the extent necessary to protect the financial interest the District has in the property.

Special Education Time and Effort Reporting

Time and effort reporting will be completed for all employees of the District paid through federal dollars. Time and effort reporting records shall accurately reflect the work actually performed.

For employees funded through a single cost objective, a semi-annual certification stating that the employee worked solely on activities related to a single cost objective will be kept. This certification will be signed by the supervisor after-the-fact.

For employees paid through multiple cost objectives, a semi-annual time report or Personnel Activity Report (PAR) will be kept. The report will be prepared and signed by the employee after-the-fact, reflecting actual work performed.

The budget and payroll will initially be based on an estimate of the cost objective(s) that the employee will be working on. A comparison of actual costs based on the semi-annual activity

reports to budgeted distributions will be made at the end of the fiscal year. If the comparison shows a difference between budgeted and actual, adjustments will be made such that the final amount charged to the Federal award is accurate, allowable and properly allocated.

Participation of Private School Students in Special Education

The District will control and administer federal special education funds used to provide equitable participation services to parentally-place private school children with disabilities.

A timely and meaningful consultation will occur with representatives of private schools located in the member Districts that will include discussion of the child find process, the calculation of proportionate amount, and how the services will be provided. Such consultation shall be documented.

The District will maintain control over the funds, property, and program decisions. The District will ensure that proportionate share funds are used to meet the special education and related services needs of eligible students with disabilities and are not used for the general needs of the private school. The District will track the required expenditures by fiscal year. Any unused funds at the end of the fiscal year will be spent during the following one-year carryover period.

Special Education Transportation

A. If a student's IEP/504 team determines that a student qualifies for special transportation, appropriate transportation accommodations and adaptations must be specified and written into the student's Individualized Education or 504 Plan.

- Transportation is a related service when: because of the disability, the student requires special transportation in order to benefit from his/her specialized instruction.
- Basic Requirements for specialized transportation:
 - Specialized equipment if needed is required.
 - Transportation is required because of the location of the special education program.

B. Communication Process:

- a. Case Manager writes appropriate accommodations into the IEP and submits a transportation request form to the office of Special Services.
- b. Verification of IEP/504 Services is completed and Student information tracking documents are updated.
- c. Director of Special Services approves and signs the Request for Transportation.
- d. Transportation Request Form is then sent to the transportation contractor - maximum of 5 days to arrange transportation.
- e. A list of students who qualify for special transportation is sent to the district transportation coordinator quarterly and that information is entered into MARSS.
- f. MARSS Coordinator - submits appropriate data for reimbursement.

- C. At the student's annual IEP meeting, special transportation and its appropriateness will be discussed by the IEP team. If there is any change in transportation, the district communication process will go into effect.
- D. It is the parent's responsibility to have their child meet the school bus at the street, curb or driveway, unless that responsibility has been modified and agreed through the Section 504 or IEP process.
 - a. The district is not required to have the bus driver or bus assistant enter the student's residence.
 - b. Minnesota Rule 7470.1700, Subp. 3 requires that "Each driver and aide assigned to a vehicle transporting students must...assist pupils with disabilities on and off the bus when necessary for their safe ingress and egress from the bus..."
- E. Drop-off time: No One Home:
 - a. The driver should check the student's emergency health card to see if the student may be left alone or if there is an alternate destination listed on the emergency health card.
 - b. Out of concern for the student's safety, the van driver and transportation department will attempt to make contact with parents prior to leaving the student's home. If contact cannot be made, the drivers are instructed to contact the Transportation Department who in turn will contact the Director of Special Services Office.
 - c. At that time a determination will be made to either drop off the student at the home school, where the child may wait in the office or will be taken to after school care. The parent will be charged a per minute fee for the time in the childcare setting. It is up to the Director of Special Services or School Administrator if the Police will be called.
- F. Resident District Closed; Program District Open:
 - a. If the resident district schools are closed because of a non-emergency condition (e.g. teacher conferences, district holiday of choice), the resident district must transport students attending other districts whenever the programs in the other district are in session.
 - b. IF the resident district schools are closed because of emergency conditions (e.g. severe weather, icy roads), the resident district does not have to transport students to programs in other districts even though the schools or the programs in the others districts are open.

Appendix A

School Board Code of Ethics Policy No. 209

I. PURPOSE

The purpose of this policy is to assist the individual school board member in understanding his or her role as part of a school board and in recognizing the contribution that each member must make to develop an effective and responsible school board.

II. GENERAL STATEMENT OF POLICY

Each school board member shall follow the code of ethics stated in this policy.

A. AS A MEMBER OF THE SCHOOL BOARD, I WILL:

1. Attend school board meetings.
2. Come to the meetings prepared for discussion of the agenda items.
3. Listen to the opinions and views of others (including, but not limited to, other school board members, administration, staff, students, and community members).
4. Vote my conscience after informed discussion, unless I abstain because a conflict of interest exists.
5. Support the decision of the school board, even if my position concerning the issue was different.
6. Recognize the integrity of my predecessors and associates and appreciate their work.
7. Be primarily motivated by a desire to provide the best possible education for the students of my school district.
8. Inform myself about the proper duties and functions of a school board member.

B. IN PERFORMING THE PROPER FUNCTIONS OF A SCHOOL BOARD MEMBER, I WILL:

1. Focus on education policy as much as possible.
2. Remember my responsibility is to set policy – not to implement policy.
3. Consider myself a trustee of public education and do my best to protect, conserve, and advance its progress.
4. Recognize that my responsibility, exercised through the actions of the school board as a whole, is to see that the schools are properly run – not to run them myself.
5. Work through the superintendent – not over or around the superintendent.
6. Delegate the implementation of school board decisions to the

superintendent.

C. TO MAINTAIN RELATIONS WITH OTHER MEMBERS OF THE SCHOOL BOARD, I WILL:

1. Respect the rights of others to have and express opinions.
2. Recognize that authority rests with the school board in legal session – not with the individual members of the school board except as authorized by law.
3. Make no disparaging remarks, in or out of school board meetings, about other members of the school board or their opinions.
4. Keep an open mind about how I will vote on any proposition until the board has met and fully discussed the issue.
5. Make decisions by voting in school board meetings after all sides of debatable questions have been presented.
6. Insist that committees be appointed to serve only in an advisory capacity to the school board.

D. IN MEETING MY RESPONSIBILITIES TO MY COMMUNITY, I WILL:

1. Attempt to appraise and plan for both the present and future educational needs of the school district and community.
2. Attempt to obtain adequate financial support for the school district's programs.
3. Insist that business transactions of the school district be ethical and open.
4. Strive to uphold my responsibilities and accountability to the taxpayers in my school district.

E. IN WORKING WITH THE SUPERINTENDENT OF SCHOOLS AND STAFF, I WILL:

1. Hold the superintendent responsible for the administration of the school district.
2. Give the superintendent authority commensurate with his or her responsibilities.
3. Assure that the school district will be administered by the best professional personnel available.
4. Consider the recommendation of the superintendent in hiring all employees.
5. Participate in school board action after considering the recommendation of the superintendent and only after the superintendent has furnished adequate information supporting the recommendation.
6. Insist the superintendent keep the school board adequately informed at all times.
7. Offer the superintendent counsel and advice.
8. Recognize the status of the superintendent as the chief executive officer and a non-voting, ex officio member of the school board.

9. Refer all complaints to the proper administrative officer or insist that they be presented in writing to the whole school board for proper referral according to the chain of command.
10. Present any personal criticisms of employees to the superintendent.
11. Provide support for the superintendent and employees of the school district so they may perform their proper functions on a professional level.

F. IN FULFILLING MY LEGAL OBLIGATIONS AS A SCHOOL BOARD MEMBER, I WILL:

1. Comply with all federal, state, and local laws relating to my work as a school board member.
2. Comply with all school district policies as adopted by the school board.
3. Abide by all rules and regulations as promulgated by the Minnesota Department of Education and other state and federal agencies with jurisdiction over school districts.
4. Recognize that school district business may be legally transacted only in an open meeting of the school board.
5. Avoid conflicts of interest and refrain from using my school board position for personal gain.
6. Take no private action that will compromise the school board or administration.
7. Guard the confidentiality of information that is protected under applicable law.

Date of Adoption: October 18, 2010

Legal References: Minn. Stat. § 123B.02, Subd. 1 (School District Powers)
Minn. Stat. § 123B.09 (School Board Powers)
Minn. Stat. § 123B.143, Subd. 1 (Superintendent)

Cross References: MSBA Service Manual, Chapter 1, School Board Member Code of Ethics

Administrator Code of Ethics Policy No. 306

I. PURPOSE

The purpose of this policy is to establish the requirements of the school board that school administrators adhere to the standards of ethics and professional conduct in this policy and Minnesota law.

II. GENERAL STATEMENT OF POLICY

A. An educational administrator's professional behavior must conform to an ethical code. The code must be idealistic and at the same time practical, so that it can apply reasonably to all educational administrators. The administrator acknowledges that the schools belong to the public they serve for the purpose of providing educational opportunities to all. However, the administrator assumes responsibility for providing professional leadership in the school and community. This responsibility requires the administrator to maintain standards of exemplary professional conduct. It must be recognized that the administrator's actions will be viewed and appraised by the community, professional associates, and students. To these ends, the administrator must subscribe to the following standards.

B. The Educational Administrator:

1. Makes the well-being of students the fundamental value of all decision-making and actions.
2. Fulfills professional responsibilities with honesty and integrity.
3. Supports the principle of due process and protects the civil and human rights of all individuals.
4. Obeys local, state, and national laws and does not knowingly join or support organizations that advocate, directly or indirectly, the overthrow of the government.
5. Implements the school board's policies.
6. Pursues appropriate measures to correct those laws, policies, and regulations that are not consistent with sound educational goals.
7. Avoids using positions for personal gain through political, social, religious, economic, or other influence.
8. Accepts academic degrees or professional certification only from duly accredited institutions.
9. Maintains the standards and seeks to improve the effectiveness of the profession through research and continuing professional development.
10. Honors all contracts until fulfillment, release, or dissolution is mutually agreed upon by all parties to the contract.
11. Adheres to the Code of Ethics for School Administrators in Minnesota Rule.

Date of Adoption: 11-19-12

Legal References: Minn. Stat. § 122A.14, Subd. 4 (Code of Ethics)
Minn. Rules Part 3512.5200 (Code of Ethics for School
Administrators)

Teacher Code of Ethics Policy No. 425

I. PURPOSE

The purpose of this policy is to establish the requirements of the School Board that teachers adhere to the standards of ethics and professional conduct in this policy and Minnesota law.

II. GENERAL STATEMENT OF POLICY

A. A teacher's professional behavior must conform to an ethical code. The code must be idealistic and at the same time practical so that it can apply reasonably to all teachers. The teacher acknowledges that the schools belong to the public they serve for the purpose of providing educational opportunities to all. However, the teacher assumes responsibility for providing appropriate educational opportunities in the school. This responsibility requires the teacher to maintain standards of exemplary professional conduct. To these ends, the teacher must subscribe to the following standards.

B. The standards of professional conduct are as follows:

1. A teacher shall provide professional education services in a nondiscriminatory manner.
2. A teacher shall make reasonable effort to protect the student from conditions harmful to health and safety.
3. In accordance with state and federal laws, a teacher shall disclose confidential information about individuals only when a compelling professional purpose is served or when required by law.
4. A teacher shall take reasonable disciplinary action in exercising the authority to provide an atmosphere conducive to learning.
5. A teacher shall not use professional relationships with students, parents, and colleagues to private advantage.
6. A teacher shall delegate authority for teaching responsibilities only to licensed personnel.
7. A teacher shall not deliberately suppress or distort subject matter.
8. A teacher shall not knowingly falsify or misrepresent records or facts relating to that teacher's own qualifications or to other teacher's qualifications.
9. A teacher shall not knowingly make false or malicious statements about students or colleagues.
10. A teacher shall accept a contract for a teaching position that requires licensing only if properly or provisionally licensed for that position.

Date of Adoption: 6/14/10

Legal References: Minn. Stat. §§ 125.185
Minn. Rules Part 8700.7500 (Code of Ethics for Minnesota Teachers)

Appendix B

Conflicts of Interest - School Board Members Policy No. 210

I. PURPOSE

The purpose of this policy is to observe state statutes regarding conflicts of interest and to engage in school district business activities in a fashion designed to avoid any conflict of interest or the appearance of impropriety.

II. GENERAL STATEMENT OF POLICY

It is the policy of the school board to contract for goods and services in conformance with statutory conflict of interest laws and in a manner that will avoid any conflict of interest or the appearance thereof. Accordingly, the school board will contract under the statutory exception provisions only when it is clearly in the best interest of the school district because of limitations that may exist on goods or services otherwise available to the school district.

III. GENERAL PROHIBITIONS AND RECOGNIZED STATUTORY EXCEPTIONS

A. A school board member who is authorized to take part in any manner in making any sale, lease, or contract in his or her official capacity shall not voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially therefrom.

B. In the following circumstances, however, the school board may as an exception, by unanimous vote, contract for goods or services with a school board member of the school district:

1. In the designation of a bank or savings association, in which a school board member is interested, as an authorized depository for school district funds and as a source of borrowing, provided such deposited funds are protected in accordance with Minn. Stat. Ch. 118A. Any school board member having said interest shall disclose that interest and the interest shall be entered upon the minutes of the school board. Disclosure must be made when such bank or savings association is first designated as a depository or source of borrowing, or when such school board member is elected, whichever is later. Disclosure serves as notice of the interest and must only be made once;
2. The designation of an official newspaper, or publication of official matters therein, in which the school board member is interested when it is the only newspaper complying with statutory requirements relating to the designation or publication;
3. A contract with a cooperative association of which the school board member is a shareholder or stockholder but not an officer or manager;
4. A contract for which competitive bids are not required by law. A contract made under this exception will be void unless the following procedures are observed:

- a. The school board must authorize the contract in advance of its performance by adopting a resolution setting out the essential facts and determining that the contract price is as low as or lower than the price at which the goods or services could be obtained elsewhere.
- b. In the case of an emergency when the contract cannot be authorized in advance, payment of the claims must be authorized by a like resolution wherein the facts of the emergency are also stated.
- c. Before a claim is paid, the interested school board member must file with the clerk of the school board an affidavit stating:
 - (1) The name of the school board member and the office held;
 - (2) An itemization of the goods or services furnished;
 - (3) The contract price;
 - (4) The reasonable value;
 - (5) The interest of the school board member in the contract; and
 - (6) That to the best of the school board member's knowledge and belief, the contract price is as low as, or lower than, the price at which the goods or services could be obtained from other sources.

5. A school board member may contract with the school district to provide construction materials or services, or both, when the sealed bid process is used. When the contract comes before the school board for consideration, the interested school board member may not vote on the contract. (*Note: This section applies only where the school district has a population of 1,000 or less according to the last federal census.*)

6. A school board member may rent space in a public facility at a rate commensurate with that paid by other members of the public.

- C. In the following circumstances, the school board may as an exception, by majority vote at a meeting where all school board members are present, contract for services with a school board member of the school district: A school board member may be newly employed or may continue to be employed by the school district as an employee where there is a reasonable expectation on July 1, or at the time the contract is entered into or extended, that the amount to be earned by that school board member under that contract or employment relationship, will not exceed \$8,000 in that fiscal year. If the school board member does not receive majority approval to be initially employed or to continue in employment at a meeting where all school board members are present, that employment must be immediately terminated and that school board member will have no further rights to employment while serving as a school board member in the school district.
- D. The school board may contract with a class of school district employees, such as teachers or custodians, where the spouse of a school board member is a member of the class of employees contracting with the school board and the employee spouse receives no special monetary or other benefit that is substantially different from the benefits that other members of the class receive under the employment contract. In order for the school board to invoke this exception, it must have a majority of

disinterested school board members vote to approve the contract, direct the school board member spouse to abstain from voting to approve the contract, and publicly set out the essential facts of the contract at the meeting where the contract is approved.

IV. LIMITATIONS ON RELATED EMPLOYEES

A. The school board can hire or dismiss teachers only at duly called meetings. Where a husband and wife, brother and sister, or two brothers or sisters, constitute a quorum, no contract employing a teacher may be made or authorized except upon the unanimous vote of the full school board.

B. The school board may not employ any teacher related by blood or marriage to a school board member, within the fourth degree as computed by the civil law, except by a unanimous vote of the full school board.

V. CONFLICTS PRIOR TO TAKING OFFICE

A school board member with personal financial interest in a sale, lease, or contract with the school district which was entered before the school board member took office and presents an actual or potential conflict of interest, shall immediately notify the school board of such interest. It shall thereafter be the responsibility of the school board member to refrain from participating in any action relating to the sale, lease, or contract. At the time of renewal of any such sale, lease, or contract, the school board may enter into or renew such sale, lease, or contract only if it falls within one of the enumerated exceptions for contracts relating to goods or services provided above and if the procedures provided in this policy are followed.

VI. DETERMINATION AS TO WHETHER A CONFLICT OF INTEREST EXISTS

The determination as to whether a conflict of interest exists is to be made by the school board. Any school board member who has an actual or potential conflict shall notify the school board of such conflict immediately. The school board member shall thereafter cooperate with the school board as necessary for the school board to make its determination.

Date of Adoption: November 24, 2014

Legal References: Minn. Stat. § 122A.40, Subd. 3 (Teacher Hiring, Dismissal)
Minn. Stat. § 123B.195 (Board Member's Right to Employment)
Minn. Stat. § 471.87 (Public Officers; Interest in Contract; Penalty)
Minn. Stat. § 471.88, Subds. 2, 3, 4, 5, 12, 13, and 21 (Exceptions)
Minn. Stat. § 471.89 (Contract, When Void)
Op. Atty. Gen. 437-A-4, March 15, 1935
Op. Atty. Gen. 90-C-5, July 30, 1940
Op. Atty. Gen. 90-A, August 14, 1957

Cross References: MSBA/MASA Model Policy 101 (Legal Status of the School Board)
MSBA/MASA Model Policy 209 (Code of Ethics)
MSBA Service Manual, Chapter 1, School District Governance, Powers and Duties

Appendix C

Discipline, Suspension, and Dismissal of School District Employees Policy No. 403

I. PURPOSE

The purpose of this policy is to achieve the effective operation of the school district's programs through the cooperation of all employees under a system of policies and rules applied fairly and uniformly.

II. GENERAL STATEMENT OF POLICY

The disciplinary process described herein is designed to utilize progressive steps, where appropriate, to produce positive corrective action. While the school district intends that in most cases progressive discipline will be administered, the specific form of discipline chosen in a particular case and/or the decision to impose discipline in a manner otherwise, is solely within the discretion of the school district.

III. DISCIPLINE

A. Violation of School Laws and Rules

The form of discipline imposed for violations of school laws and rules may vary from an oral reprimand to termination of employment or discharge depending upon factors such as the nature of the violation, whether the violation was intentional, knowing and/or willful and whether the employee has been the subject of prior disciplinary action of the same or a different nature. School laws and rules to which this provision applies include:

1. policies of the school district;
2. directives and/or job requirements imposed by administration and/or the employee's supervisor; and
3. federal, state and local laws, rules and regulations, including, but not limited to, the rules and regulations adopted by federal and state agencies.

B. Substandard Performance

An employee's substandard performance may result in the imposition of discipline ranging from an oral reprimand to termination of employment or discharge. In most instances, discipline imposed for the reason of substandard performance will follow a progressive format and will be accompanied by guidance, help and encouragement to improve from the employee's supervisor and reasonable time for correction of the employee's deficiency.

C. Misconduct

Misconduct of an employee will result in the imposition of discipline consistent with the seriousness of the misconduct. Conduct which falls into this category includes, but is not limited to:

1. unprofessional conduct;
2. failure to observe rules, regulations, policies and standards of the school district and/or directives and orders of supervisors and any other act of an insubordinate nature;
3. continuing neglect of duties in spite of oral warnings, written warnings and/or other forms of discipline;
4. personal and/or immoral misconduct;
5. use of illegal drugs, alcohol or any other chemical substance on the job or any use off the job which impacts on the employee's performance;
6. deliberate and serious violation of the rights and freedoms of other employees, students, parents or other persons in the school community;
7. activities of a criminal nature relating to the fitness or effectiveness of the employee to perform the duties of the position;
8. failure to follow the canons of professional and personal ethics;
9. falsification of credentials and experience;
10. unauthorized destruction of school district property;
11. other good and sufficient grounds relating to any other act constituting inappropriate conduct;
12. neglect of duty;
13. violation of the rights of others as provided by federal and state laws related to human rights.

IV. FORMS OF DISCIPLINE

A. The forms of discipline that may be imposed by the school district include, but are not limited to:

1. oral warning;
2. written warning or reprimand;
3. probation;
4. disciplinary suspension, demotion or leave of absence with pay;
5. disciplinary suspension, demotion or leave of absence without pay; and
6. dismissal/termination or discharge from employment.

B. Other forms of discipline, including any combination of the forms described in Paragraph A., above, may be imposed if, in the judgment of the administration, another form of discipline will better accomplish the school district's objective of stopping or correcting the offending conduct and improving the employee's performance.

V. PROCEDURES FOR ADMINISTERING POLICY

A. In an instance where any form of discipline is imposed, the employee's supervisor will:

1. Advise the employee of any inadequacy, deficiency or conduct which is the cause of the discipline, either orally or in writing. If given orally, the supervisor will document the fact that an oral warning was given to the employee specifying the date, time and nature of the oral warning.
2. Provide directives to the employee to correct the conduct or performance.
3. Forward copies of all writings to the administrator in charge of personnel for filing in the employee's personnel file.
4. Allow a reasonable period of time, when appropriate, for the employee to correct or remediate the performance or conduct.
5. Specify the expected level of performance or modification of conduct to be required from the employee.
6. The school district retains the right to immediately discipline, terminate or discharge an employee as appropriate, subject to relevant governing law and collective bargaining agreements where applicable.

Date of Adoption: 7/20/09

Legal References:

Cross References: Minn. Stat. § 122A.40 (Teachers – Employment; Contracts; Termination)
Minn. Stat. § 122A.41 (Teacher Tenure)
Minn. Stat. § 122A.44 (Contracting with Teachers)
Minn. Stat. § 122A.58 (Coaches)
Minn. Stat. § 123B.02, Subd. 14 (Employees; Contracts for Services)
Minn. Stat. § 123B.143 (Superintendent)
Minn. Stat. § 123B.147 (Principals)
Minn. Stat. § 197.46 *et seq.* (Veterans Preference Act)
MSBA Service Manual, Chapter 3, Employees 403-3

Appendix D

Special Education Records and Records Retention Policy Policy No. 536

I. Purpose and Scope.

This Policy has been developed in recognition of the very different nature of the records public school districts generate in the normal course of educating their special education students and to ensure consistency in the maintenance and retention of this information. It supplements, but does not replace, the School District's policy on student records.

Any District requirement or regulations regarding the maintenance, retention or release of data which is applicable to all students applies to special education students as well.

II. Special Education Document and File Maintenance Requirements.

5. At the end of each school year, working documents which are duplicates to those already contained within a student's special education file must be shredded. Any special education document contained within an educator's working file, but not in the student's special education file must be transferred thereto.

The only exception to this rule is if documents within working files are subject to the "desk drawer exception" recognized under Minnesota and federal laws or are required to be destroyed pursuant to the retention schedule set forth below. The desk drawer exception is very narrow.¹ In general, documents which are deemed important enough to be retained in a working file should be transferred to the Student's permanent file, notwithstanding this exception.

6. Special educators are reminded that electronic communications constitute student records. All e-mails should be drafted in an objective and professional manner. Personal opinions and comments irrelevant to a student's education are inappropriate and should not be included in these messages.
7. Special education records shall be filed in chronological order (most recent documents to the front) by each school year. A School District "blue sheet" must be placed on the top of each initial evaluation, 3 year re-evaluation and annual IEP, pursuant to the directions set forth thereon. Only one copy of each due process document shall be retained in each student's file.
8. When significant changes are made to an annual IEP, a copy of each version of the IEP (prior and subsequent to the IEP revision) must be retained. Dates on each IEP should reflect the date on which that version of the IEP was drafted.

9. All documents greater than one page must be stapled.
10. All progress data, charts, IEP meeting notes or notes documenting communications with other staff members, parents, students, etc. must be dated and identify the name of the staff member who created the note or document.
11. Phone and communication logs must be maintained by each teacher and/or service provider for each student. The logs, which should document any communication between staff and parents, including the mailing of due process documents and required notices, must be retained in each student's special education file. To the extent logs are maintained on a computer file, they must bThe following procedures must be followed when creating and maintaining documents relevant to the identification and evaluation of special education students and/or the development and implementation of a student's special education program.
 1. Special education evaluation, program and due process paperwork (hereinafter "special education documents") must be retained pursuant to the requirements set forth in this policy.
 2. All special education documents must be filed in a separate file and at a separate location from the Student's general education cumulative file. The file must be maintained in a locked location specified by each building administrator and contain an access log that includes the name, date, and purpose for which the individual is authorized to use the record.
 3. A "note," indicating that a separate special education file is being retained for the student in a separate location must be placed in each special education student's general education cumulative file.
 4. Only one special education file per student shall be maintained. Special Education "working files" may not be maintained by a student's educators beyond the school year in which they are created.
 5. At the end of each school year, working documents which are duplicates to those already contained within a student's special education file must be shredded. Any special education document contained within an educator's working file, but not in the student's special education file must be transferred thereto.

The only exception to this rule is if documents within working files are subject to the "desk drawer exception" recognized under Minnesota and federal laws or are required to be destroyed pursuant to the retention schedule set forth below. The desk drawer exception is very narrow. In general, documents which are deemed important enough to be retained in a working file should be transferred to the Student's permanent file, notwithstanding this exception.

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8. When significant changes are made to an annual IEP, a copy of each version of the IEP (prior and subsequent to the IEP revision) must be retained. Dates on each IEP should reflect the date on which that version of the IEP was drafted.
9. All documents greater than one page must be stapled.
10. All progress data, charts, IEP meeting notes or notes documenting communications with other staff members, parents, students, etc. must be dated and identify the name of the staff member who created the note or document.
11. Phone and communication logs must be maintained by each teacher and/or service provider for each student. The logs, which should document any communication between staff and parents, including the mailing of due process documents and required notices, must be retained in each student's special education file. To the extent logs are maintained on a computer file, they must be printed at the end of each school year and placed in the student's special education file.
12. Each case manager is expected to review and ensure that his/her students' special education files are being timely updated and are orderly and complete at the end of each school year.

III. Special Education Document Retention and Destruction Schedule.

The following schedule pertains solely to special education records. It supplements and does not replace any document destruction schedule previously adopted by the School District. A copy of this schedule will be published to students and parents at least one time per school year in the School District's annual Summer Newsletter.

1. The District will retain the student's name, address, phone number, standardized and achievement test results, grades, attendance, and grade level completed as well as the student's last Individual Education Program (IEP) and last Comprehensive Evaluation Report without time limitation.
2. However, in this circumstance, the term "standardized achievement test" means tests provided to both regular and special education students to gauge their overall academic performance and progress. The term "standardized achievement tests" does not include protocols for tests conducted in connection with special education evaluations.

3. Protocols used in completing actual special education evaluation assessments will be destroyed five years after administration, interpretation, and summarization, pursuant to parent notification in the School District's Annual Newsletter.
4. Individual Education Plans ("IEPs"), Evaluation Reports, Independent Medical Reports and supporting due process documents, including Team Meeting Notices, Prior Written Notices, and Progress Reports) will be retained for five years after the Student ages out of special education or graduates from the School District. Consistent with 34 C.F.R. §300.624, the School District will notify Parents and/or Guardians prior to destroying these personally identifiable records.
5. When a Student has transferred to or open enrolled in a different school district, the School District must retain a copy the Student's last evaluation and IEP until five years after the Student would have graduated had s/he not transferred school districts.
6. IEP meeting notes, parent contact and/or telephone logs, copies of communication notebook entries and electronic communications will be retained for five calendar years.
7. In addition to being provided yearly notice of the Special Education Document Retention Schedule in the School District's Annual Newsletter, parents and/or guardians and eligible students will be notified about this practice at the time the student is (a) dismissed from special education services, (b) graduates from school, or (c) ages out of school. This will constitute notice and no further notice will be provided. Parents and/or guardians and eligible students will be asked to sign an acknowledgment of their receipt of this policy. A copy of this notice will be retained by the school with the Student's last Individual Education Program (IEP) and last Comprehensive Evaluation Report.
8. Records may not be destroyed if there is an outstanding request to inspect the records by the parent and/or guardian or eligible student. Records must be destroyed at the request of the parents if they are no longer needed for educational purposes.