ADMINISTRATIVE REGULATIONS
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FINANCIAL OPERATION **Regulation 3100**

Financial Management

The following procedures or actions shall be taken:

1. The Missouri Financial Accounting Manual published by the Missouri Department of Elementary and Secondary Education shall be adopted for financial accounting.

2. All receipts, including student activity funds, shall be deposited in the School District account as provided by law. There shall be no separate accounts of any organization, individual, or department for funds collected or received in connection with any school activity or program.

3. The Superintendent of Schools shall formulate administrative procedures to facilitate the orderly expenditure and receipt of funds. The Superintendent is empowered to purchase for the District within limits as set forth by the budget approved by the Board of Education; however, purchases of single items with a unit cost of $1,000.00 or more shall be approved by the Board of Education, except for emergency items which are necessary to prevent interruption of school operations.

4. The School District accountant shall maintain student activity accounts for various classes and organizations. Upon graduation any funds which remain in the account of the graduating class shall be transferred to the Student Council Account.

FINANCIAL OPERATIONS **Policy 3102**
Financial Operations
Debt Management Policy

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

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

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

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

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

FINANCIAL OPERATION **Regulation 3110**

Financial Management
Preparation of Budget

On or before the regular board meeting in April of each year, the Superintendent shall prepare and submit to the Board for its consideration a preliminary draft of the annual budget covering salaries of the teachers, principals, and other employees, and an estimate of other current expenses for the next fiscal year together with an estimate of the income or revenue available and necessary for the purpose of fixing the annual levy to be submitted to the voters according to the law.

On or before June 30th of each year, the Superintendent shall prepare and present to the Board for its consideration a detailed annual budget covering all estimated expenditures for the ensuing fiscal year in accordance with the anticipated levy authorized by the voters. The aggregate estimated expenditures shall not exceed ninety-two percent (92%) of the estimated income plus any fund balances carried forward from the previous fiscal year. This annual budget, with such changes or additions as the Board may desire to make, shall be adopted for the school year beginning July 1.

Income

Estimates of income are based on previous receipts, information such as new legislation, new programs and phasing out of present programs; interest rates; tax rate (less uncollectibles).

Expenditures

Budget expenditures are to reflect the needs and priorities of the District's programs. By law, the expenditures cannot exceed the estimated revenue to be received plus any unencumbered balance.

Building Modifications

Building modification plans for major changes must be in the Superintendent's office by January 1st to be given serious consideration for the next fiscal year. The Maintenance Supervisor should be included in the early planning stages.

A general guideline for budgeting is that the District must be able to demonstrate equal per pupil allocation of funds available. This will vary from year to year; however, except in unusual cases, this should not vary more than 5%.

FINANCIAL OPERATION **Regulation 3150**

Financial Management
Payment Procedures

Invoices for materials or services will be authorized for payment only upon the approval of the Board of Education. However, payments for materials or services which are necessary for normal business operations which do not individually exceed $500 or exceed an aggregate monthly amount of $3,000 may be authorized by the Superintendent/designee. In addition, if cash discount or avoidance of financial penalty can be achieved, the Superintendent/designee is authorized to issue a check. In all such cases, the identity and amounts of such payments will be provided to the Board at the next regular meeting following payment. The Board will consider such payments and ratify the action taken.

FINANCIAL OPERATION **Regulation 3155**

Financial Management

Payments from Federal Awards/Cash Management

Cash Management Procedure

In order to ensure compliance with Cash Management Improvement Act (CMIA), the following procedures have been implemented:

1. The individual District Manager for each Federal grant will review and prepare each payment request to ensure compliance with CMIA and related regulations.

2. The District's financial officer will, as an additional check, review the payment requests prepared by the Federal grant manager to ensure compliance with federal and state regulations.

3. Payment requests will be made for each Federal program on a monthly basis. If the amount to be requested in any month is $500.00 or less, the District's financial manager may elect to carry over the sum until the succeeding month.

4. All Federal funds will be documented by an individual program and tracked by the District's financial officer.

5. The District's financial officer will monthly track Federal funds as individual expenditures in the District's general ledger.

6. The District's financial officer will have initial responsibility to ensure overall compliance of cash management requirements. The District's external auditor will monitor utilization of Federal funds to ensure compliance with federal and state cash management requirements.

Procurement Standards – Federal Contracts

Procurement Standards – Federal Contracts

Conflict of Interest

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

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

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

Avoidance of Unnecessary/Duplicate Purchase

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

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

Recordkeeping

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

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

Time and Material Type Contracts

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

Contractor Compliance Resolution

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

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

Competition for Contract Awards

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

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

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

Procedures for Procurement Transactions

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

The District will ensure that all prequalified lists of persons, firms, or products are current and include enough qualified sources to ensure maximum open and free competition. Potential bidders will not be precluded from qualifying during the solicitations process.

Methods of Procurement Affecting

Micro Purchases

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

Small Purchases

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

Sealed Bids

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

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

If sealed bids are used, the following requirements apply:

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

Competitive Proposal

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

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

Noncompetitive Sole Source

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

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

Contract Cost and Price

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

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

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

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

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

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

Agency Review

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

Biding Requirements

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

Contract Provisions

The District's contracts under the Regulation will include:

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

Background Checks

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

Faith Based Organizations

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

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

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FINANCIAL OPERATION **Regulation 3166**

Financial Management

Federal Awards – Allowable Costs

Allowable, Reasonable, Allocable Cost Principles
Allowable
To be allowable under a Federal award, costs will meet the following criteria:

1. Be necessary and reasonable for the performance of the Federal Award and be allocable to the Award.
2. Conform to limitations or exclusions in these principles or in the Federal award as to types or amounts of cost items.
3. Be consistent with policies and procedures that apply uniformly to both federally–financed and other District activities that are non-Federal.
4. Be given consistent treatment. A cost may not be assigned as a direct cost if any other cost for a like purpose is assigned as an indirect cost.
5. Be in accordance with generally accepted accounting principles.
6. Not be included as a cost or used to meet cost sharing or matching request of any other federally financed project in either the current or a prior project.
7. Be adequately documented.
8. Be net of all applicable credits.

Reasonable
A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a reasonable person under the prevailing circumstances. In determining reasonableness of a specific cost, consideration must be given to:

1. Whether the cost is generally recognized as ordinary and necessary for the operations of the District, or the proper and efficient performance of the Federal award.
2. The restraints or requirements imposed by sound business practice, and terms of the Federal grant.
3. Market prices for comparable goods or services for the District's geographic area.
4. Whether District individuals involved in the Federal grant acted with prudence.
5. Whether the District has significantly deviated from its established practices and policies regarding the incurrence of costs.

Allocable

A cost is allocable to a particular Federal award if the goods or services involved are chargeable or assignable to the Federal award in accordance with the benefits received. This standard is met if the cost:

1. Is incurred specifically for the Federal award.
2. Benefits both the Federal award and other work of the District and can be allocated on proportions using reasonable methods.
3. Is necessary to the overall operation of the District and is assignable in part to the Federal award.

Allowability Procedures

At the time of budgeting for a Federal award, all costs, direct and indirect, will be reviewed by the District's Federal Grant administrator to assure compliance with Federal allowability principles.

1. All purchase orders/invoices will be screened by the District's finance officer to ensure consistency of the budgeted items with Federal allowability principles.
2. An annual risk assessment will be conducted consistent with 2 CFR Part 200.331(b).
3. The District's outside auditor will review compliance with Federal allowability standards as part of the annual audit.

Documentation of Personnel Costs

Semi-Annual Certification – Where employees are expected to work solely on a single Federal award or cost objection, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the certification period.

Monthly Personnel Reports

Where District employees work on multiple activities or cost objectives, a distribution of their salary and wages will be supported by personnel activity reports. Similar procedure will be used for District employees working on cost sharing or matching activities.

If the District elects to work under a substitute system for time and effort, the District will seek approval by DESE.

Stipends and Extra Duty Pay

Where the District pays for extra work beyond an employee's regular contract, the District will have developed written documentation that demonstrates the extra work to be performed; the dates of performance; and the amount or rate to be paid to such employee. A contract will also be signed by the District and the employee to show acceptance of the terms. In addition, the employee must complete time and effort documentation that supports the extra work beyond the employee's regular contract. This documentation may be a semi-annual time certification or monthly personnel activity report

FINANCIAL OPERATION **Policy 3180**
Financial Operations
Procurement of Professional Services

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

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

Payroll
Expenditures for Certificated Staff

The District will expend for tuition, teacher retirement and compensation of certificated staff a percentage of current operating costs that is no less than two (2) percentage points less than the base school year certificated salary percentage.

Or
Have an unrestricted fund balance in the combined incidental and teachers' fund on June 20 which is equal to or less than ten percent (10%) of the combined expenditures for the year from those funds.

Or
Maintain or increase its fiscal instructional ratio of efficiency (FIRE) compared to the District's FIRE for the 1997-98 base year.

The District's FIRE is the quotient of the sum of the District's current operating costs plus the cost of improvement of instruction and the cost of purchased services and supplies for operation of the facilities housing those programs, and excluding student activities divided by the sum of the District's current operating cost for kindergarten through grade twelve, plus all tuition revenue received from other districts minus all noncapital transportation and school safety and security costs.

Exceptions

The above provisions do not apply to qualifying districts when the state distributes ninety-six percent (96%) or less for the formula than it did in fiscal year 2002. A qualifying district:

1. Must have had on June 30th of the preceding fiscal year a combined incidental and teacher fund balance which was seventeen percent (17%) or less of the combined incidental and teacher fund expenditures for that fiscal year.

Or 2. Must have had one person or a corporation with ten percent (10%) or more of the District's assessed valuation be delinquent in a property tax payment.

Or 3. Must have had a combned incidental and teacher fund balance on June 30th of the preceding fiscal year that was fifty percent (50%) or less than the local property tax revenue for that fiscal year.

Or 4. Will receive in the current fiscal year ninety-six percent (96%) or less of their fiscal year 2002 formula distribution.

FINANCIAL OPERATION — Regulation 3320

Revenue
Tax Rate Hearing

The Board of Education will annually conduct tax rate hearing(s) prior to September 1. The purpose of the tax rate hearing process is to provide administrative recommendations, obtain community input and adoption of a tax rate. Notice of all tax rate hearings will be provided by posting in at least three District sites or publication in a local newspaper at least seven (7) days prior to the hearing. Written notice will include the District's assessed valuation, proposed tax rate, date, time and place of hearing and will advise where copies of the proposed budget may be obtained.

FINANCIAL OPERATION **Regulation 3330**

Revenue
Bonded Indebtedness

The Missouri state law guidelines shall serve to direct the Board's bonds issue. Guidelines currently include the following provisions:

1. A two-thirds vote is required to approve the issuance of bonds if the issue is not submitted at a general, primary or municipal election.

2. A four-sevenths vote is required before bonds may be issued if the proposal is submitted at a general, primary or municipal election.

3. Revenues from taxes levied for the purpose of satisfying bonded indebtedness, including principal and interest, will be recorded in the debt service fund.

4. Twenty years is the maximum number for which bonded indebtedness may be obligated.

5. Bonds shall be issued in denominations of one thousand dollars or multiples thereof.

6. The limit for District bonded indebtedness is 15% of the value of taxable tangible property as documented by the last completed assessment for state and county purposes.

FINANCIAL OPERATION **Regulation 3380**

Revenue
Sale/Lease of Real Property

If the Board of Education affirmatively votes to sell or lease unneeded real property, the sale will be conducted as follows:

Listing with Real Estate Broker

At its option, the Board may list the property with one or more real estate brokers licensed by the State of Missouri. In such cases, the Board is authorized to pay a commission upon successful completion of such sale or lease.

Sales/Lease to Highest Bidder

If the Board chooses not to list the unneeded real property with a real estate broker, the notice of the sale or lease will be published in a newspaper of general circulation in the community in which the District is located in whole or in part. Notice of the sale or lease will be published at least once a week for two consecutive weeks with the last publication to be at least seven (7) days prior to the sale or lease. Property will then be sold/leased to the highest bidder. The Board reserves the right, in its sole discretion, to set a minimum bid.

Sale/Lease to City, State, or Governmental Subdivision

The Board may also elect to sell or lease such real property to a city, state agency, municipal corporation, or other governmental subdivision located within the District for public use or purpose. In such case, the notice will be given by publication in a newspaper of general circulation as set out in the preceding section. The price for sale or lease of the property will be as agreed upon by the District and the governmental entity.

Regardless of how sold/leased, the lease or deed of conveyance will be signed by the Board President and attested to by the Board Secretary. The proceeds from such sale/lease, except for districts identified as financially distressed, will be placed in the capital projects fund.

Disposal of Previously Donated Property

If, after ten years, following the donation of real property, the District may sell the donated property after first offering to return the property to the previous owner. If the previous owner declines, the District may sell the property as surplus.

FINANCIAL OPERATION **Regulation 3440**

Accounting and Reporting

Travel and Reimbursement

Travel Expense Allowance

Upon approval of the Superintendent, employees may be authorized to attend conferences, meetings, conventions, etc. When full expenses are allowed, they shall be deemed to include registration, transportation fees, lodging and meals.

Each employee allowed travel expenses shall file with the Superintendent/designee an itemized account of expenses; he/she may request an advance of estimated expenses subject to adjustment upon filing of the itemized account. Each employee shall submit to the Superintendent/designee such other reports as may be required.

The Superintendent may authorize attendance at professional meetings by staff members, Board members and others working on District matters, and may approve reasonable expenditures that include an amount set annually by the Board for lodging, travel expenses and applicable registration fees.

The Superintendent shall notify the Board of the date and purpose of the event for which such approval is granted, name(s) of person(s) attending, and cost to the District.

The Superintendent shall have the power to excuse any employee from duty for the above purposes for a period not to exceed one (1) day without allowance for expenses

Reimbursement Policies

1. Mileage reimbursement is not authorized between home and office/base school.

2. Employees who travel directly from home to other than office/base school on official business are entitled to a mileage allowance of the distance in excess of that from home to office/base school. The same policy is applicable to return trips. In this case a reimbursement request must show that all mileage excludes round trip mileage from home to office/base school.

3. Employees who travel from school to school on official duty are authorized mileage from the first to the last school visited subject to the restrictions outlined in the paragraph above.

4. When transportation is performed by privately owned vehicle, mileage is authorized at an annually determined rate, subject to provisions of the following paragraph.

5. When private transportation can be pooled, the driver of the vehicle is authorized reimbursement at the annually determined rate. When transportation pooling is not desired by the individuals concerned, each traveler will be limited to an equal share of the annually determined rate per mile.

6. In performing necessary local travel, personnel will use the most direct well-traveled route between any two points. Claims for mileage reimbursement will be for actual miles driven based on odometer readings.

Federal Award Programs

If lodging and subsistence costs are charged directly to the Federal award, documentation must justify that:

1. Participation of the individual is necessary to the Federal award; and

2. The costs are reasonable and are consistent with the District's travel policy.

Such documentation may include any or all of the following:

1. Agenda
2. List of attendees
3. Prior written approval
4. Written qualification statement

Grant funds will not be used for temporary dependent care costs unless specifically permitted by the awards' authorizing statute, regulation or department.

FINANCIAL OPERATION **Regulation 3450**

Accounting and Reporting
Sales Tax

Suppliers or retailers selling rings, pictures, sweaters, jackets, school annuals, musical instruments, shoes and similar items or the rental of gowns, caps and other items which are for personal, individual benefit and use of a student, should include and collect the sales or use tax on such sales or rentals.

Purchase orders will designate if purchases are for school purposes and not for student's individual and personal ownership, and if the purchases are for the school's purposes as part of their regular educational activities, no tax should be collected by the sellers. (Examples of non-taxable situations: when a school purchases books, desks, school supplies and equipment; diplomas, medals, awards or plaques; athletic, musical or other equipment and supplies purchased for the athletic and other departments; and for the general use by or benefit of all students entered or engaged in regularly sponsored school athletic or other educational programs, classes, events or activities.)

Operators of vending machines or commissaries located in schools, but not operated by the schools or any school group, are required to report the tax on the gross receipts from these vending machines or commissaries operated by them (retailers).

Tax will not be collected on admissions charged to school plays or entertainment sponsored as a part of the regular school program, as such activities are considered occasional in nature. However, when entertainment or programs are put on by individuals, entertainers or groups who make this a business and receive as compensation a portion of the net receipts, then the sales tax must be collected on the admission charge even though sponsored by the school, and the profits, if any, are intended to be used for school purposes.