

**7000 SERIES  
FINANCIAL MANAGEMENT  
TABLE OF CONTENTS**

Goals

7000 Goals

Budget

7100 Budget and Program Planning

7110 Budget Implementation and Execution

7120 Budget Adjustments

Accounting System

7200 Accounting System Design

7218 Federal Grant Financial Management System

7220 Documentation and Approval of Claims

7225 Financial Fraud and Theft Prevention

7230 Financial Reporting and Audits

7235 Fiscal Accountability and IDEA Part B Funds

7235P Written Compensation Procedure (Time and Effort)

7235F Federal Funds Semi-Annual Certification Form

7237 Retention of Records Relating to Federal Grants

7260 Student Activity Funds

7270 Property Records

Revenues

7300 Revenues

7305 Investment of Funds

7310 Advertising in Schools/Revenue Enhancement

7320 Allowable Uses for Grant Funds

Expenses

7400 Procurement Management System

7405 Public Works Contracting and Procurement

7407 Public Procurement of Goods and Services

7408 Entering into Professional Service Contracts

7409 Acquisition of Real and Personal Property

7410 Petty Cash Funds

7420 Personal Reimbursements

7430 Travel Allowances and Expenses

7430P Travel Allowances and Expenses

7440 District Credit Cards

7440F District Credit Card Holder Agreement

Fees

7500 New Fees or Increase of Fees

Financial Emergency

7600 Declaration of Financial Emergency

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7000

#### Goals

Since educational programs are dependent on adequate funding and the proper management of those funds, District goals can best be attained through efficient fiscal management. As trustee of local, state and federal funds allocated for use in public education, the Board shall fulfill its responsibility to see that funds are used to achieve the purposes intended.

Because of resource limitations, fiscal concerns often overshadow the educational program. Recognizing this, the District must take specific action to ensure that education remains primary. This concept shall be incorporated into Board operations and into all aspects of District management and operation.

In the District's fiscal management, the Board seeks to achieve the following goals:

1. Engage in advance planning, with staff and community involvement, to develop budgets that will achieve the greatest educational returns in relation to dollars expended.
2. Establish levels of funding which shall provide superior education for the District's students.
3. Provide timely and appropriate information to staff who have fiscal responsibilities.
4. Establish efficient procedures in all areas of fiscal management.

#### Legal Reference:

I.C. § 33-701 et seq.

Fiscal Affairs of School Districts

#### Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7100

#### Budget and Program Planning

The annual budget is evidence of the Board's commitment to the objectives of the instruction programs. The budget supports the immediate and long-range goals and established priorities within all areas, instructional, non-instructional and administrative programs.

Prior to presentation of the proposed budget for adoption, the Superintendent shall prepare, for the Board's consideration, recommendations (with supporting documentation) which shall be designed to meet the needs of students within the limits of anticipated revenues.

Program planning and budget development shall provide for staff participation and the sharing of information with patrons prior to action by the Board.

#### Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7110

#### Budget Implementation and Execution

Once adopted by the Board, the operating budget shall be administered by the Superintendent and his/her designees. All actions of the Superintendent/designees in executing the programs and/or activities delineated in that budget are authorized according to these provisions:

1. Expenditure of funds for the employment and assignment of staff shall meet the legal requirements of the State of Idaho and adopted Board policies.
2. Funds held for contingencies may not be expended without approval from the Board.
3. A listing of warrants describing goods and/or services for which payment has been made must be presented for Board approval each month.
4. Purchases shall be made according to the legal requirements of the State of Idaho and adopted Board policy.

#### Legal Reference:

I.C. § 33-701 et seq.

Fiscal Affairs of School District

#### Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7120**

Budget Adjustments

Any person(s) proposing a budget amendment must provide written notice of the same to each board member at least seven (7) days in advance of the meeting at which such budget amendment will be proposed.

Prior to the final vote on a budget amendment proposal, notice shall be posted and published once in the manner prescribed by Idaho law. The meeting to adopt a budget amendment shall be open and shall provide opportunity for any taxpayer to appear and be heard. Budget procedures shall be consistent with statutory requirements.

With timely notice of a public meeting, trustees, by sixty percent (60%) of the members of the Board of Trustees, may declare by resolution that a budget amendment is necessary to reflect the availability of funds and the requirements of the District. Budget amendments are specifically authorized by I.C. § 33-701.

Revenue derived from maintenance and operation levies made pursuant to I.C. § 33-802(2) are excluded from budget adjustments.

Budget amendments shall be submitted to the state superintendent of public instruction.

Legal Reference:

I.C. § 33-701

Fiscal year – Payment and accounting of funds

I.C. § 33-802(2)

School Levies

Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7200

#### Accounting System Design

The District accounting system shall be established to present with full disclosure the financial position and results of the financial operations of the District funds and account groups in conformity with generally accepted accounting principles. The accounting system must be in compliance with the accounting system requirements established by legislative action. The accounting system shall be able to demonstrate compliance with finance-related legal and contractual provisions.

#### Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

Federal Grant Financial Management System

The District maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met.

Idaho Financial Reporting Management System (IFARMS)

IFARMS provides the basis for complete financial and cost accounting, for the development of program budgets, and for the preparation of periodic financial reports. The uniformity of the system enables the District to fulfill state requirements and provides the flexibility to obtain program and account detail to meet management needs.

Financial Management Standards

The standards for financial management systems are found at 2 C.F.R. § 200.302. The required standards include:

1. **Identification:** The District shall identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification shall include the information described below under "Overview of the Financial Management/Accounting System."
2. **Financial Reporting:** Accurate, current, and complete disclosure of the financial results of each federal award or program will be made in accordance with the financial reporting requirements set forth in the Education Department General Administrative Regulations (EDGAR).
3. **Accounting Records:** The District shall maintain records that adequately identify the source and application of funds provided for federally assisted activities. These records will contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest, and be supported by source documentation.
4. **Internal Controls:** Effective control and accountability shall be maintained for all funds, real and personal property, and other assets. The District shall adequately safeguard all such property and shall assure that it is used solely for authorized purposes.

"Internal controls" are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

- A. Effectiveness and efficiency of operations;

- B. Adequate safeguarding of property;
- C. Assurance property and money is spent in accordance with grant program and to further the selected objectives; and
- D. Compliance with applicable laws and regulations.

5. **Budget Control:** Actual expenditures or outlays shall be compared with budgeted amounts for each federal award.
6. **Cash Management:** The District shall maintain written procedures to implement the cash management requirements found in EDGAR. See Policy 7450.
7. **Allowable Costs:** The District shall maintain written procedures for determining allowability of costs in accordance with EDGAR. See Policy 7320 and Procedure 7320P.

### Overview of the Financial Management/Accounting System

The District accounting system is established to present, with full disclosure, the financial position and results of the financial operations of the District in conformity with generally accepted accounting principles. The accounting system currently used is 2M Data. The system is in compliance with IFARMS, as required by Idaho statute. IFARMS shall be used as the basis for developing program budgets and the preparation of periodic financial reports. The District Business Manager shall be responsible for managing budgets and accounts payable. As required by 34 CFR 200.302, the District shall maintain on file award letters that include Catalog of Federal Domestic Assistance (CFDA) titles and numbers, federal award identification numbers and years, names of the federal awarding agencies, and the name of the State Department of Education (the pass-through entity), for each federal award. The funds are given unique identification numbers in the IFARMS system.

The Business Manager shall be responsible for preparing financial reports, as required for local, state, and federal agencies, for review and approval by the Board of Trustees. The financial reports shall reflect the financial activity and status of the District. These reports shall include monthly and cumulative expenditures, program budgets, and balances remaining.

### Budgeting

**The Planning Phase: Meetings and Discussions: Before Receiving the Grant Award Notice (GAN):** The Superintendent, assisted by the Business Manager, shall be responsible for initial federal grant budget development. Initial budget development shall be based upon estimates of federal program award amounts as provided by the State Department of Education, as well as input from program and administrative staff with respect to individual program staff needs, number and assignments of paraprofessionals relative to program allocations, and need for instructional supplies and equipment. The primary considerations of initial budget development shall be the educational needs of students and the availability of existing District resources for meeting these needs.

Budgets shall be prepared and presented in a format that clearly identifies revenue sources and amounts and budgeted expenditures, in accordance with IFARMS accounting codes, and shall be open for public inspection.

The Superintendent shall present the proposed budget to the Board for final approval of the budget and the policies reflected therein, such as proposed changes or additions to instructional programs and proposed salary schedules. Consideration of the proposed budget shall take place in an open meeting with opportunity for public comment. The approved budget shall be included in the minutes of the Board as documentation of its acceptance and approval.

**After Receiving the GAN:** If the Superintendent determines that final program allocations necessitate revisions to program budgets, he or she, assisted by the Business Manager with input from federal programs staff, shall discuss, review, and propose budget revisions. If proposed revisions require amendment proposals, the Superintendent will follow protocols of the amendment process.

**Amending the Budget:** The Superintendent shall review and approve any necessary budget amendments and shall submit those amendments to the Board at least seven days in advance of the meeting at which the amendment will be considered. The Board shall have final approval of the amended budget and consideration of the proposed budget shall take place in an open meeting with opportunity for public comment. The approved amended budget shall be included in the minutes of the Board of Trustees as documentation of its acceptance and approval.

**Budget Control:** The Business Manager shall prepare monthly financial reports that monitor budget performance by comparing actual to budgeted revenues and expenditures. Monthly financial reports indicate budgeted amounts, monthly expenditures, year-to-date-expenditures and percentage of budget spent. The Superintendent shall review these reports for the preceding month prior to presentation to the Board.

### Accounting Records

The Business Manager shall be responsible for the maintenance of accounting records. Electronic accounting records are maintained in 2M Data, and paper records are maintained on file in the District office. All accounting records shall be reviewed by the District Superintendent and, where appropriate and required, the Board. The District chart of accounts and financial reports shall be established and maintained in accordance with Generally Accepted Accounting Principles (GAAP) and IFARMS, as required by Idaho Code. Accounting records shall be available for public inspection at any time.

### Spending Grant Funds

In determining what items will be included in individual program budgets, the Business Manager and the Superintendent will follow the federal cost principles and individual

program statutes and regulations, as the basis for determining whether individual expenditures are allowable.

While developing and reviewing the grant budget, the District will keep in mind the difference between direct costs and indirect costs.

### **Direct and Indirect Costs:**

**1. Determining Whether a Cost is Direct or Indirect:** Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

Indirect costs are those that have been incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

Costs incurred for the same purpose in like circumstances shall be treated consistently as either direct or indirect costs.

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials, and other items of expense incurred for the Federal award.

The salaries of administrative and clerical staff shall normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- A. Administrative or clerical services are integral to a project or activity;
- B. Individuals involved can be specifically identified with the project or activity;
- C. Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- D. The costs are not also recovered as indirect costs.

**2. Indirect Cost Rate:** It is at the discretion of the Swan Valley School District #92 to use the indirect cost rate. It is the normal policy of the District not to take indirect costs on federal awards. If the District elects to take indirect costs, it shall follow the procedures for calculating the indirect cost rate prescribed by the State Department of Education and apply the policies and procedures outlined in the federal regulations as described below.

**3. Applying the Indirect Cost Rate:** Once the District has an approved indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items such as equipment, contracts in excess of \$25,000, pass-through funds, etc.) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award.

Once the District applies the approved rate, the funds that may be claimed for indirect costs have no federal accountability and may be used as if they were non-federal funds. For direct grants, reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions.

Where a federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.

Cross Reference:

7230 Financial Reporting and Audits

Legal References:

2 C.F.R § 200.300 <i>et seq.</i>	Post Federal Award Requirements
2 C.F.R. § 200.56	Indirect (Facilities & Administrative (F&A)) Costs
2 C.F.R. § 200.413	Direct Costs
34 C.F.R. § 75.564	Reimbursement of Indirect Costs
34 C.F.R. § 76.569	Using the Restricted Indirect Cost Rate

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7220

#### Documentation and Approval of Claims

All financial obligations and disbursements must be documented in compliance with the statutory provisions and audit guidelines. The documentation will specifically describe acquired goods and/or services, the budget appropriations applicable to payment, and the required approvals. All purchases, encumbrances and obligations, and disbursements must be approved by the administrator designated with the authority, responsibility and control over the budget appropriations. The responsibility for approving these documents should not be delegated.

The District business office will be responsible for the development of the procedures and forms to be used in the requisition, purchase and payment of claims.

#### Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7225

#### Financial Fraud and Theft Prevention

All District employees, Board Members, consultants, vendors, contractors, and other parties maintaining a business relationship with the District shall act with integrity and due diligence in matters involving District fiscal resources.

The Superintendent shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, and fiscal irregularities within the District. Every member of the District's administrative team shall be alert for any indication of fraud, financial impropriety, or irregularity within his or her areas of responsibility.

The Superintendent shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential. While investigating and responding to the financial fraud allegations, the Superintendent or Chair of the Board will give priority to avoiding possible retaliation or reprisals.

#### Staff Responsibilities

Any employee who suspects that financial fraud, impropriety, or irregularity has occurred shall immediately report those suspicions to their immediate supervisor and/or the Superintendent or designee who shall have the primary responsibility for initiating necessary investigations. Additionally, the Superintendent shall coordinate investigative efforts with the District's legal counsel, auditing firm, and other internal or external departments and agencies, including the county prosecutor's office and law enforcement officials, as the Superintendent may deem appropriate.

An employee who believes they have suffered reprisal, retaliation or discrimination for a report under this policy shall report the incident(s) to the Superintendent or designee. The Board will attempt to ensure that no employee who makes such a report will suffer any form of reprisal, retaliation, or discrimination for making the report. Employees are prohibited from preventing or interfering with those who make good faith disclosures of misconduct. This policy shall not apply when an employee knowingly makes a false report.

In the event the concern or complaint involves the Superintendent, the concern shall be brought to the attention of the Chair of the Board who is hereby empowered to contact the District's legal counsel, auditing firm, and any other agency to investigate the concern or complaint.

## Definition

As used in this policy, “fraud” refers to intentionally misrepresenting, concealing, or misusing information in an attempt to commit fiscal wrongdoing. Fraudulent actions include, but are not limited to:

1. Behaving in a dishonest or false manner in relation to District assets, including theft of funds, securities, supplies, or other District properties;
2. Forging or altering financial documents or accounts illegally or without proper authorization;
3. Improper handling or reporting of financial transactions;
4. Personally profiting as a result of insider knowledge;
5. Disregarding confidentiality safeguards concerning financial information;
6. Violating Board conflict of interest policies; and
7. Mishandling (destroying, removing, or misusing) financial records of District assets.

## Internal Controls

The following internal controls shall be a regular practice of the District in an effort to prevent the possibility of fraud:

1. **Budgetary Transfers:** The transfer of appropriations is important for the Superintendent, purchasing agent, business official, and treasurer, and all should have written confirmation of the information. The purchasing agent shall be apprised if the transfer has been approved, the treasurer shall document it and the business official shall record it;
2. **Treasurer’s Receipts:** The treasurer should have receipts and numbered duplicates for everything paid out in his or her custody;
3. **Checks:** The treasurer shall keep personal custody of any signature stamps and maintain a log for every check written;
4. **Audit:** An individual not connected to the business office should audit the check register regularly;
5. **Conduct Background Checks on Potential Business Office Employees:** Check all possible references, not just those offered, and perform criminal background checks on key business officials and other warranted positions; and
6. Segregate functions within the business office so as to avoid the opportunity for fraud without collusion.

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7230**

Financial Reporting and Audits

The Board directs that financial reports of all District funds shall be prepared in compliance with statutory provisions and generally accepted accounting and financial reporting standards. In addition to the reports required for local, state, and federal agencies, financial reports will be prepared monthly and annually and presented to the Board. The financial reports shall reflect the financial activity and status of the District funds.

Appropriate interim financial statements and reports of financial position, operating results and other pertinent information will be prepared to facilitate management control of financial operations.

The Board directs that District audits shall be conducted in accordance with Idaho law (I.C. § 67- 450B). Each audit shall be a comprehensive audit of the affairs of the District and the District funds. The audits shall comply with all statutory provisions and generally accepted governmental auditing standards.

The report shall be filed with the State Department of Education after its acceptance by the Board of Trustees not later than November 10.

Legal Reference:

I.C. § 33-701	Fiscal year – Payment and Accounting of Funds
I.C. § 67-450B	Independent Financial Audits by Government Entities

Policy History:

Adopted on: May 18, 2004  
Revised on: January 20, 2020  
Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7235

#### Fiscal Accountability and IDEA Part B Funds

The District must ensure fiscal accountability at each phase in the use of Individuals with Disabilities Education Act (IDEA) Part B funds. The purpose of this policy is to ensure that the District complies with the State Department of Education requirements described in the *Idaho State Department of Education IDEA Funding Manual*.

#### Use of IDEA Part B Funds

The District shall use IDEA funds only to pay excess costs of providing special education and related services to children with disabilities. A cost is determined to be an excess cost of providing special education only if it meets each of the following criteria:

1. The cost would not exist in the absence of special education needs;
2. The cost is not also generated by students without disabilities; and
3. If the cost is specific to a particular child, it is documented if that child is on an Individual Education Plan (IEP).

The Board directs the Superintendent to establish procedures and internal controls to ensure that IDEA Part B funds are used only for allowable, excess costs of providing special education and that these costs are accounted for in the proper function/program codes described in 34 CFR 300.202-205. These procedures and controls shall also ensure the accuracy of the District's Excess Cost Calculation, as required by 34 C.F.R. 300.16 and Appendix A to 34 C.F.R.300.

The Special Education Director and the Business Manager approve all IDEA Part B expenditures (PO, invoices) following the process described in the written procedures for determining allowability of cost (cost principles).

#### Time and Effort Reporting

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. In order to determine if personnel costs are allowable under IDEA Part B, the District shall maintain auditable "time and effort" documentation that shows how each employee paid with IDEA Part B funds spent his or her compensated time. Such work shall be documented on the time and effort forms. The form shall be kept for employees paid in full or in part with federal funds or whose salary is used to meet a matching requirement in a federal program. Such documents are written reports of how the time was spent.

The Board directs the Superintendent to establish a system for time and effort reporting that complies with the requirements of OMB Circular A-87 and OMB Circular A-133 and with the 4235P Written Compensation Procedure.

#### Maintenance of Effort

In order to ensure that the requirement of Maintenance of Effort is met, the Board directs the Superintendent to establish a means of tracking and reporting local expenditures separate from the expenditure of State funds. This is to be done for the purpose of verifying that local funds are used for special education expenditures.

#### Parentally Placed Private School Children

The District must ensure that it is providing the appropriate portion of IDEA Part B funds to children receiving special education at private schools within the boundaries of the District. To accomplish this, the Board directs the Superintendent to establish procedures to accurately track and report expenditures for services provided to parentally placed private school children.

The Special Education Director and the Business manager keep accurate records of all expenditures charged to the parentally placed private school children budget. The documentation should be traceable to the financial report and available for inspection if requested.

#### Property Procurement and Tracking

The Board directs the Superintendent to establish written procedures to ensure that the District's mechanism for procurements using IDEA Part B funds conforms to the standards outlined in 34 C.F.R. 80.36 and with Policy 7400 Procurement Management System and any related procedures. The Board also directs the Superintendent to establish a system to maintain adequate inventory management of property purchased with IDEA Part B funds.

Property records in the inventory management system should include, at a minimum:

1. Property description;
2. Identification number;
3. Source of funding;
4. Acquisition date and cost;
5. The location, use, and condition of the property; and
6. Any ultimate disposition data including the date of disposal and sale price of the property.

In addition to the above information, the inventory management system should ensure that all source documents in support of the above information are maintained throughout the life and disposition of the equipment. These records should be updated frequently so that

every piece of equipment purchased with federal funds can be accounted for at any given time.

Cross References:

7400 Procurement Management System

Legal References:

2 C.F.R. §§200.430	Time and Effort
34 C.F.R. §§80.36	Procurement
34 C.F.R. §§80.42	Retention and Access Requirements for Records
34 C.F.R. §§300.132-133	Provision of Services for Parentally Placed Private School Children with Disabilities
34 C.F.R. §§300.16	Excess Costs
34 C.F.R. §§300.202-205	Use of Amounts
34 C.F.R. §§300, Appendix A	Excess Costs Calculation

Fiscal Accountability Checklist: For Sub-Recipients of IDEA Part B Funds

OMB Circular A-87

OMB Circular A-133

Other Reference:

Idaho SDE IDEA Part B Funding Manual

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7235P

#### Written Compensation Procedure (Time and Effort)

##### Time and Effort Standards

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with State or local funds but is used to meet a required “match” in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

The District’s records will accurately reflect the work performed. These records must:

1. Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
2. Be incorporated into official records;
3. Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
4. Encompass both federally assisted and all other activities compensated by the District on an integrated basis;
5. Comply with the established accounting policies and practices of the District; and,
6. Support the distribution of the employee’s salary or wages among specific activities or costs objectives.

##### Time and Effort Procedures

Federal programs staff work in multiple programs and are paid from multiple federal awards. The initial budget for program personnel is determined according the relative percentage of the total of allocations of programs in which the staff member works. Each pay period, the staff member’s salary and benefits are calculated and paid according to those initial budget percentages.

At the end of each semester, the staff member will submit a certification of actual hours worked in each federal program during that quarter. The certification will be signed by the employee and by the business manager or other District staff with after-the-fact knowledge of the employee’s activities.

The business manager will reconcile the certification of actual work performed to budgeted amounts and will make corresponding journal entries that reflect actual hours worked in and allowable activities of each federal program.

If an employee works exclusively in a single federal program, that employee will, at least semi- annually complete Form 7235F1 Federal Funds Semi-Annual Certification Form. The

form must be completed at least twice each year and signed by the employee and staff member with after- the-fact knowledge of the employee's activities.

(For Districts that have implemented a financial management system that allows positive time reporting) The District may generate a time and effort report directly from the financial management system.

Legal Reference:

Idaho SDE IDEA Part B Funding Manual.

Procedure History:

Promulgated on: January 20, 2020

Revised on:

Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7235F**

Federal Funds Semi-Annual Certification Form

Employee: \_\_\_\_\_ Position: \_\_\_\_\_

Reporting Period: \_\_\_\_\_

<b>Cost Objective (Program Activity)</b>	<b>Grant Program</b>	<b>Fund Code - Function Code</b>	<b>Distribution of Time (Percentage or hours)</b>

I hereby certify this report is an accurate representation of the total activity expended during the period indicated.

Employee's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed by supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7237

#### Retention of Records Relating to Federal Grants

The Board directs the Superintendent to ensure that fiscal records related to federal grants are retained for a minimum of six years from the obligation of funds. These records shall be available for inspection if required.

#### Procedures

The District shall maintain records that fully show:

1. The amount of funds under the grant or subgrant;
2. How the District uses those funds;
3. The total cost of each project;
4. The share of the total cost of each project provided from other sources;
5. Other records to facilitate an effective audit; and
6. Other records to show compliance with federal program requirements.

The District shall also maintain records of significant project experiences and results. These records and accounts shall be retained and made available for programmatic or financial audits.

In accordance with State Department of Education record retention policy 4.16.02 Administration of Federal Grant Program, the District shall maintain all fiscal and programmatic records relating to federal grants for a minimum of five years and one additional audit.

The District will destroy paper records by shredding only. In the event of the disposal of computers or electronic equipment that may contain confidential student or personnel records, the District will ensure that hard drives are appropriately "wiped" clean of information prior to disposal.

The District shall retain records based on the schedule provided in Policy 8605.

#### Collection and Transmission of Records

The District shall maintain electronic records in the 2M Data system, and paper records shall be maintained in the District office under the supervision of the Business Manager or designee. The Clerk will have authorized access as directed. Electronic and/or paper records shall be provided to awarding agencies to meet reporting requirements and to auditors and monitors, as appropriate and required. Records that are kept electronically may be transmitted electronically as allowed by 2 CFR 200.335.

## Access to Records

The District shall provide the awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, the right of access to any documents, papers, or other records of the District which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the District's personnel for the purpose of interview and discussion related to such documents.

## Privacy

Access to both the 2M Data system, personnel files, the Student Management System, confidential student files, Special Education IEP files shall be password protected in the case of electronically maintained records and kept in locked filing cabinets in the case of paper records. These records are maintained under the supervision of the Superintendent and the Business Manager, or Federal Programs Director with exclusive access to paper files and passwords for electronic systems. The District clerk may also have access to these records. Employees shall be trained in the requirements of the Family Educational Rights and Privacy Act (FERPA). If a request for confidential information is received from a source not having clear authority under FERPA or other statute, the District shall consult appropriate legal counsel prior to providing records.

### Legal References:

34 C.F.R. §§ 75.730-.731

34 C.F.R. §§ 75.732

34 C.F.R. §§ 76.730-.731

2 C.F.R. §§ 200.333-.337

### Other Reference:

Idaho SDE IDEA Part B Funding Manual

### Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7260

#### Student Activity Fund

The Board is responsible for the establishment and management of student activity funds. The purpose of student activity funds shall be to account for revenues, disbursements, deposits, expenditures, assets, liabilities, and fund balances of those funds raised by students through recognized student body organizations and activities, including:

1. Admission charges for interscholastic activities;
2. The sale of yearbooks and annuals;
3. Student fee collections which are used to provide more than one activity or benefit to all of the students of a school or school building; and
4. Receipt from vending machines located on school property.

Such funds shall be used for such expenditures to benefit the activity in which they are collected.

The funds collected by the schools shall be maintained in accounts requiring two authorized signatures for the distribution of funds: one signature shall be by a person designated by the Board as an assistant treasurer and the other shall be a designated signatory of the building or District.

The funds shall be deposited and expended by regular check in a bank account maintained by the District for each student activity fund. The use of the student extra- and co-curricular funds is limited to the benefit of the students. All funds collected or received for school programs, activities, or student use are, by Idaho law, public monies; and the care, custody, control, and accounting for such monies is the duty and responsibility of the treasurer and the administrative officer of the District. The treasurer of the District shall provide accounting procedures for the receipt, deposit, expenditure, and withdrawal of such moneys.

The management of student activity funds shall be consistent with sound business practices. Authority is delegated to the Superintendent to require each school within the District to conform to accounting procedures for the receipt, deposit, and withdrawal of funds. A report of the activity of these funds shall be submitted to the Board and Superintendent each month by the treasurer. This includes providing for the safekeeping of monies, proper accounting and administration of the funds, and compliance with the Board of Trustees policies and procedures. The Principal is responsible for the proper collection, disbursement, and control of all school activity funds.

The official financial records of the student activity funds for any school in the District will be audited annually by a qualified public accountant or other responsible person approved

by the Board. The employee responsible for maintaining student activity funds will be under bond in an

amount which protects the maximum funds on hand at any time. An annual report will be prepared for the Board disclosing all results of the audit.

For other activity or student funds, the Board may create a separate fund(s) and implement procedures for the accounting and control of the same.

Projects for the raising of funds shall generally contribute to the educational experience of students and shall not detract from the instructional program. All fundraising projects must have the approval of the principal. Solicitation of funds outside the school must have the approval of the Superintendent.

### Receipts

All cash and check collection will be recorded by the person receiving the collection. A cash receipt will be prepared immediately. Cash receipts are to be issued in numerical sequence.

The receipt must be filled in completely including:

1. Date;
2. The amount;
3. The name of the person or company delivering the funds;
4. The source of the funds, such as a fundraiser, yearbook payment, etc.; and
5. The account code and description of the account.

An actual cash count of all money must be made by the person receiving the funds in the presence of the person delivering the funds.

Checks received will not be post-dated for any reason.

A cash receipt will not be altered for any reason. If an error occurs, the person receiving the cash or check will indicate the receipt was voided, will mark void on the receipt and file the voided receipt in numerical sequence with the copies of the receipts.

The original receipt will be given to the person delivering the money. If an individual mails a check and requests a receipt for the payment, a receipt acknowledging the check number will be prepared and returned to the individual making the payment. The copy of the receipt will be filed in numerical order and retained for auditing purposes.

Access to receipts will be limited to the individual responsible for the particular fund.

If funds are delivered to a building office when the person responsible for the school fund is out of the office, the employee receiving the cash or check will follow the receipt procedures set forth above. The funds will then be locked in a safe until the person

responsible for the school fund is available. The individual who received the funds will then count the money in the presence of the person responsible for the school fund and indicate that the money was received.

All funds received by clubs or school organizations must be properly documented.

All funds collected by staff members will be submitted daily to the building principal or his or her designee for receipt. No money will be kept overnight in classrooms, desks, file cabinets, or other areas within the building.

Legal Reference:

I.C. § 33-705                      Activity Funds

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

Property Records

Property records and inventory records shall be maintained on all land, buildings, and physical property under the control of the District. Such records shall be updated annually.

Property records of facilities and other fixed assets shall be maintained on an ongoing basis. All goods purchased using federal funds shall be delivered to the District office and received by the Business Manager. Upon receipt of goods, the Business Manager shall notify the Superintendent of fulfillment of the purchase order.

The Business Manager checks all items against the invoice to ensure accuracy of delivery. Inventory items will be recorded on the Master Inventory list. No equipment shall be removed for personal or non-school use except according to Board policy.

Property records shall show, appropriate to the item recorded, the:

1. Description and identification;
2. Manufacturer;
3. Date of purchase;
4. Initial cost;
5. Location;
6. Serial number, if available; and
7. Model number, if available

For each equipment and computing device purchased with federal funds, the following information is maintained in the Special Services office mastery inventory list. The list includes the following information:

1. Serial number or other identification number;
2. Source of funding for the property;
3. Identification of title holder;
4. Acquisition date and cost of the property;
5. Percentage of federal participation in the project costs for the federal award under which the property was acquired;
6. Location, use, and condition of the property; and
7. Any ultimate disposition data including the date of disposal and sale price of the property.

In the event the property is sold, lost, or stolen, or cannot be repaired, the item will be deducted from the master inventory list. The date of the change will be listed along with the sale price if the item is sold.

## Property Classifications

Equipment and supplies with a useful life of more than 1 year, including computing devices, will be engraved with “**Property of the Swan Valley School District #92**” and with appropriate equipment identification.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the District for financial statement purposes, or \$5,000.

Supplies means all tangible personal property other than those described in § 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the District for financial statement purposes or \$5,000, regardless of the length of its useful life.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year that are capitalized in accordance with GAAP. Capital assets include:

1. Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
2. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

## Physical Inventory

A physical inventory of the property must be taken, and the results reconciled with the property records at least yearly.

Each staff member will inventory property items in their room at the end of each school year. The inventory sheet is signed by the staff member taking the inventory as verification and is reviewed by the Business Manager and kept in the vault. Computer and technology equipment is inventoried and recorded in an Excel spreadsheet maintained by the Business Manager. Electronic equipment, such as iPads, are engraved with “**Property of the Swan Valley School District #92**”.

Any discrepancy between physical inventory and the master inventory sheet will be researched by the Business Manager and noted on the master inventory.

## Maintenance

The District shall maintain adequate maintenance procedures and records to ensure that property is kept in good condition. If an item needs repair, the Business Manager will be notified and proper repair procedures will be determined, either in District or by sending the item to a qualified repair facility.

## Lost or Stolen Items

The District maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property.

## Use of Equipment Purchased with Federal Funds

Equipment purchased with federal funds must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award, and the District will not encumber the property without prior approval of the federal awarding agency and the pass-through entity.

During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the federal awarding agency that financed the equipment. Second preference is given to programs or projects under federal awards from other federal awarding agencies. Use for non-federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the federal awarding agency, in the following order of priority:

1. Activities under a federal award from the federal awarding agency which funded the original program or project; then
2. Activities under federal awards from other federal awarding agencies.

In the event that the District no longer needs real or personal or real property, it will follow the rules, policies, and procedures required by Idaho Code §33-601(4)(b) and by Policy 9100.

### Legal References:

2 C.F.R. § 200.12	Capital Assets
2 C.F.R. § 200.20	Computing Devices
2 C.F.R. § 200.33	Equipment
2 C.F.R. § 200.94	Supplies
2 C.F.R. § 200.313	Equipment

I.C. §33-601(4)(b)            Real and Personal Property—Acquisition, Use or Disposal of  
Same  
I.C. § 33-701                 Fiscal Year – Payment and Accounting of Funds

Policy History:  
Adopted on: January 20, 2020  
Revised on:  
Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7300

#### Revenues

The District will seek and utilize all available sources of revenue for financing its educational programs. This includes revenues from non-tax, local, state and federal sources. All revenues received for the District will be properly credited to the appropriate fund and account as specified by federal and state statute and the accounting and reporting regulations for Idaho school districts.

The District will collect and deposit all direct receipts of revenues as necessary but at least once monthly. The District will make an effort to collect all revenues due from all sources, including, but not limited to, rental fees, bus fees, fines, tuition fees, other fees and charges.

Legal Reference:

Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7305**

Investment of Funds

Pursuant to Idaho Code §33-701, the Board authorizes the Superintendent to invest all or part of any plant facilities reserve fund, or any fund accumulated for the payment of interest on, and the redemption of, outstanding bonds, or other obligations of the District. The Superintendent shall develop criteria and procedures for appropriate investments which shall be reviewed by the Board. A progress report of investments shall be made to the Board on a regular basis.

Policy Considerations

The investment policy shall be reviewed annually by the Superintendent or designee and recommended changes will be presented to the Board for consideration.

Investments may be made only in those instruments approved by, and in a method in conformity, with State law including any instrument permitted by law for the investment of State moneys.

Legal Reference:

I.C. § 33-701           Fiscal Year - - Payment & Accounting of Funds  
I.C. § 67-1210        Investment of Idle Moneys

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7310

#### Advertising in Schools/Revenue Enhancement

Revenue enhancement through a variety of District-wide and District approved marketing activities, including but not limited to advertising, corporate sponsorship, signage, etc., is a Board-approved venture. These opportunities are subject to certain restrictions as approved by the Board in keeping with the contemporary standards of good taste. Such advertising will seek to model and promote positive values for the students of the District through proactive educational messages and not just traditional advertising of a product. Preferred advertising includes messages that encourage student achievement and the establishment of high standards of personal conduct.

All sponsorship contracts will allow the District to terminate the contract at least on an annual basis if it is determined that it will have an adverse impact on implementation of curriculum or the educational experience of students.

The revenue derived should:

1. Enhance student achievement;
2. Assist in the maintenance of existing District athletics and activity programs; and
3. Provide scholarships for students participating in athletic, academic and activity programs who demonstrate financial need and merit.

Appropriate opportunities for these marketing activities include but are not limited to:

1. Fixed signage
2. Banners
3. District-level publications
4. Television and radio broadcasts
5. Athletic facilities, to include stadiums, high school baseball fields, and high school gymnasiums
6. District level projects
7. Expanded usage of facilities beyond traditional use (i.e., concerts, rallies, etc.)
8. Interior and exterior of a limited number of District buses only if the advertising is associated with student art selected by the District. The only advertising information will note that the student art is sponsored by the participant in the District sponsorship. Maintenance for these buses will include but not exceed normal maintenance costs.
9. Individual school publications (when not in conflict with current contracts)

Advertising will not be allowed in classrooms, and corporate-sponsored curriculum materials are subject to the requirements of Board policy.

The following restrictions will be in place when seeking revenue enhancement. Revenue enhancement activities will not:

1. Promote hostility, disorder or violence
2. Attack ethnic, racial or religious groups
3. Discriminate, demean, harass or ridicule any person or group of persons on the basis of gender
4. Be libelous
5. Inhibit the functioning of the school and/or District
6. Promote, favor or oppose the candidacy of any candidate for election,
7. adoption of any bond/budget issues or any public question submitted at any general, county, municipal or school election
8. Be obscene or pornographic as defined by prevailing community standards throughout the District
9. Promote the use of drugs, alcohol, tobacco, firearms or certain products that create community concerns
10. Promote foods or beverages which do not meet the standards for foods sold at school described in Policy 8250. This restriction shall apply to all advertising, including signage, scoreboards, school stores, cups, packaging, vending machines, trash cans, coolers, menu boards, and food service equipment;
11. Promote any religious or political organization
12. Use any District or school logo without prior approval
13. Use age-inappropriate material.

### Exception

Nothing herein shall be construed to prevent advertising in publications which are published by student organizations, PTA/PTO, booster club, or other parent groups. Funds received for approved projects involving advertising in said publications may be retained by the school- related group that is sponsoring the activity as a fund-raising event.

### Solicitations

Salespersons, representatives, or agents shall not solicit or contact pupils, teachers, or other employees in the school buildings or on school grounds without prior approval.

### Cross Reference:

- 2100 Curriculum Development and Assessment
- 2500 Library Materials
- 2520 Curricular Materials
- 8250 Guidelines for Food and Beverages Sales

### Legal References:

- 7 CFR § 210.30
- Local School Wellness Policy

42 USC § 1758b, § 204	Healthy and Hunger-Free Kids Act of 2010
42 USC § 1771 et seq.	Child Nutrition Act of 1966
42 USC § 1751 et seq.	National School Lunch Act

Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

Allowable Uses for Grant Funds

Expenditures will be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the State. When determining how the District will spend its grant funds, the Superintendent and the Business Manager will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in Education Department General Administrative Regulations, referenced below, which are provided in the bulleted list below. The Business Manager and District Superintendent must consider these factors when making an allowability determination. All costs must:

1. Be necessary and reasonable for the performance of the federal award.
2. Be allocable to the federal award. A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. For example, if 50% of a teacher's salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program.
3. Be consistent with policies and procedures that apply uniformly to both federally- financed and other activities of the District.
4. Conform to any limitations or exclusions set forth as cost principles in 2 CFR Part 200 or in the terms and conditions of the federal award.
5. Consistent treatment. A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.
6. Be adequately documented. All expenditures must be properly documented.
7. Be determined in accordance with General Accepted Accounting Principles (GAAP), unless provided otherwise in Part 200.
8. Not be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.
9. Be the net of all applicable credits. The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the State relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate.

Part 200's cost guidelines must be considered when federal grant funds are expended. In addition, as required by federal rules, the District will follow, as appropriate, all state and District-level requirements and policies regarding expenditures.

### Helpful Questions for Determining Whether a Cost is Allowable

In addition to the cost principles and standards described in Procedures 7320P1 and P2, the Superintendent, Business Manager, and appropriate federal programs personnel can refer to this section for a useful framework when performing an allowability analysis. In order to determine whether federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

1. Is the proposed cost allowable under the relevant program?
2. Is the proposed cost consistent with an approved program plan and budget?
3. Is the proposed cost consistent with program specific fiscal rules? For example, the District may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possibly other federal) sources.
4. Is the proposed cost consistent with Education Department General Administrative Regulations (EDGAR)?
5. Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

As a practical matter, the Superintendent, Business Manager, and appropriate federal programs personnel should also consider whether the proposed cost is consistent with the underlying needs of the program. For example, program funds must benefit the appropriate population of students for which they are allocated.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the Superintendent, Business Manager, and appropriate federal programs personnel should review data when making purchases to ensure that federal funds to meet these areas of concern.

#### Legal References:

2 CFR §§ 200 <i>et seq.</i>	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Funds.
2 CFR §§ 200 (Subparts E and F)	Cost Principles and Audit Requirements
2 C.F.R. §200.404	Reasonable Costs
2 C.F.R. §200.405	Allocable Costs
2 C.F.R. §200.406	Applicable Credits
2 C.F.R. §§ 200.420-.475	Considerations for Selected Items of Cost

#### Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7400

#### Miscellaneous Procurement Standards

##### Procurement Generally

When making purchases with federal funds, the District will follow its procurement policies and procedures which reflect applicable State and local laws and regulations, provided that the procurement practice also conforms to applicable Federal law and the standards identified in applicable federal regulations. See Policies 7410, 7408, and 7420.

##### Authorization and Control

It is the policy of this District to conduct its purchasing program in a manner to ensure optimum use of District funds. The Board, or its designee, reserves the right to determine what is in the best interest of the District.

##### Micro-Purchase Procedures

Notwithstanding the process for Superintendent-approved purchases outlined in Policy 7405P, when using federal funds, the Superintendent or designee may purchase supplies or services using simplified acquisition procedures when making aggregate purchases of \$3,000 or less, and when making such purchases shall otherwise comply with all applicable District purchase order procedures.

##### Simplified Acquisition Procedures

When procuring goods or services, whether with federal or state funds, the District shall comply with all requirements and procedures set forth at District Policies 7410, 7408, and 7420 and applicable Idaho law. For purchases less than the federal Simplified Acquisition Threshold (currently \$150,000), the Board may adopt small purchase procedures which do not otherwise conflict with District Policies 7410, 7408, and 7420 or applicable Idaho law. Absent such Policy, all purchases for amounts less than the simplified Acquisition Threshold, shall comply with the requirements and procedures set forth at District Policies 7410, 7408, and 7420 and applicable Idaho law.

##### Cooperative Purchasing

The District may cooperatively enter into contracts with one or more districts to purchase materials necessary or desirable for the conduct of the business of the District provided that the purchasing cooperative follows State purchasing and federal procurement requirements.

## Personnel Conflicts of Interest

No employee will make any purchase or incur any obligations for or on behalf of the District from any private business, contractor, or vendor in which or with which the employee has a direct or indirect financial or ownership interest.

Purchases or contracted services from any private business or venture in which any employee of this District has a direct or indirect financial or ownership interest will be made on a competitive bid basis strictly in accordance with the following procedures:

1. The interested employee, the business, the contractor, or the vendor will fully disclose, in writing, the employee's exact relationship to the business, the contractor, or the vendor;
2. The affected business, the contractor, or the vendor may submit a bid in compliance with the specifications outlined by the District;
3. The interested employee will not be involved in any part of the bidding process, including but not limited to, preparing specifications, advertising, analyzing, or accepting bids; and
4. This policy will apply to any organization, fund, agency, or other activity maintained or operated by the District.

No employee will solicit gifts, gratuities, favors, prizes, awards, merchandise, or commissions as a result of ordering any items or as a result of placing any purchase order with a business, contractor, or vendor on behalf of the District nor accept anything of monetary value from a business, contractor, or vendor except for unsolicited gifts of \$50 or less in value.

## Violations

Any District officer, employee, or agent who violates this policy may be subject to disciplinary action, including but not limited to a fine, suspension, or termination. Violations of law shall be referred to the local, State, or federal authority having proper jurisdiction.

### Cross Reference:

7218 Federal Grant Financial Management System

7235 Fiscal Accountability and IDEA Part B Funds

7237 Retention of Records Relating to Federal Grants

7320 Allowable Uses for Grant Funds

7405 Public Works Contracting and Procurement

7407 Public Procurement of Goods and Services

7410 Petty Cash Funds

7408 Entering into Professional Service Contracts with Design Professionals, Construction Managers, and Professional Land Surveyors--The Request for Qualifications Procedure

7420 Personal Reimbursements

Legal Reference:

I.C. § 18-1351	Bribery and Corrupt Practices – Definitions
I.C. § 33-316	Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials
2 C.F.R. § 200.67	Micro Purchase
2 C.F.R. § 200.88	Simplified Acquisition Threshold
2 C.F.R. § 200.317	Procurement by States
2 C.F.R. § 200.318	General Procurement Standards
2 C.F.R. § 200.320	Methods of Procurement to be Followed

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7400P1

#### Federal Award Requirements

In addition to its other policies and procedures regarding procurement, the District shall adhere to the following requirements for Federal awards:

1. Ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be produced, and set forth those minimum essential characteristics and standards to which the material, product, or service must conform. The District will identify all requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals.
2. Prohibit the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract
3. Provide a written method for conducting technical evaluations of the proposals received and for selecting recipients, including factors considered for the evaluation; who performs the evaluation, the number of evaluations performed, the timeframe for conducting any evaluations, and the selection of a vendor and whether another position reviews the evaluation.
4. Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
5. Avoid acquiring unnecessary or duplicative items;
6. Consider 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.
7. Maintain a list of prequalified persons, firms, or products which are used in acquiring goods and services and include enough qualified sources to ensure maximum open and free competition.
8. Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement.

Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

9. Maintain records sufficient to detail the history of procurement. These records will include:
  - 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.
  
10. The use of a time and materials type contract is prohibited unless the District determines that no other contract is suitable. Time and materials type contract means a contract whose cost to a District is the sum of:
  - A. The actual cost of materials; and
  - B. The direct labor hours charged at hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. When this type of the contract is used, it will include a ceiling price that the contractor exceeds at his or her own risk. The District will assert a high degree of oversight over such contracts in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

11. The District will adhere to any additional procurement rules as applicable to specific federal programs, such as federal child nutrition programs.

Legal Reference:

2 C.F.R. §§ 200.300 et seq. (see especially Subpart D – Post Federal Award Requirements.)

Procedure History:

Promulgated on: July 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7400P2

#### Procurement Methods Under a Federal Award

This procedure shall apply to purchases with federal funds not solicited through a sealed bid process.

#### Competitive Proposals

The technique of competitive proposals is normally conducted when more than one source submits an offer, and either a fixed price or cost-reimbursement type contract is to be awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

1. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
2. Proposals must be solicited from an adequate number of qualified sources; and
3. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The District may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. This method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

#### Contract/Price Analysis

The District performs a cost or price analysis in connection with every procurement action, (including contract modifications), in excess of the District's simplified procurement threshold or in excess of \$50,000, whichever amount is lower. A cost analysis generally means evaluating the separate cost elements that make up the total price, while a price analysis means evaluating the total price, without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the District Superintendent must come to an independent estimate prior to receiving bids or proposals. 2 C.F.R. § 200.323(a).

When performing a cost analysis, the District Superintendent negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

Documentation of all such cost and price analyses shall be kept for three years beyond the current year for review.

#### Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source;
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District; or
4. After solicitation of a number of sources, competition is determined inadequate.

A cost or price analysis will be performed for noncompetitive proposals when the price exceeds 50,000.

#### Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 C.F.R §200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
2. Requiring unnecessary experience and excessive bonding;
3. Noncompetitive pricing practices between firms or between affiliated companies;
4. Noncompetitive contracts to consultants who are on retainer contracts;
5. Organizational conflicts of interest;
6. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
7. Any arbitrary action in the procurement process.

Legal Reference: 2 C.F.R. §§ 200.317 - .319; .323 Procurement by States

Procedure History:

Promulgated on: July 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7400P3

#### Requirements and Restrictions for Procurement Under a Federal Award - Competition

The following shall be required in the case of procurement under a federal grant to ensure adequate competition.

##### Geographical Preferences Prohibited

The District shall conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

##### Buy American and School Meals

When making purchases for the District's school lunch program, the District shall, to the maximum extent practicable, purchase domestic commodities or products.

For the purposes of this procedure, "domestic commodity or product" shall mean:

1. An agricultural commodity that is produced in the United States; and
2. A food product that is processed in the United States substantially using agricultural commodities that are produced in the United States.

Additionally, the District shall require school meal program suppliers to attest that their final food products are either 100% domestic commodities or a food product containing over 51% domestic food components, by weight or volume.

Exceptions to this Buy American requirement may be made when the District determines that:

1. The food or food product is not produced or manufactured in the United States in sufficient or reasonably available quantities of a satisfactory quality; or
2. Competitive bids reveal the cost of a United States food or food product is significantly higher than the non-domestic product.

When such an exception is made, the Superintendent or his or her designee shall document such exceptions.

### Prequalified Lists

The District shall ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the District shall not preclude potential bidders from qualifying during the solicitation period.

### Solicitation Language

The District shall ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

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 requirements of procurement. The specific features of the named brand which must be met by offers shall be clearly stated; and identify all requirements which the offers must fulfill and all other factors to be used in evaluating bids or proposals.

### Contracting with Small and Minority Businesses and Women’s Business Enterprises

When soliciting goods and services on projects that will use federal funds, the District shall comply with the following requirements for the purpose of ensuring small business, minority-owned businesses and women’s business enterprises are to be used whenever possible:

1. Place qualified small and minority businesses and women’s business enterprises on its solicitation lists;
2. Assure that small and minority businesses, and women’s business enterprises are solicited and notified whenever they are potential sources of the needed goods or services;
3. Divide the total requirements of a project, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises;
4. Establish reasonable delivery schedules, where the project requirement permits, which encourage participation by small and minority businesses, and women’s business enterprises;

5. Consult the services, assistance, and information, as appropriate, of qualified organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Require a project's prime contractor, if subcontracts are to be let, to take the affirmative steps listed in the numbered list above.

Legal References:

2 C.F.R. 200.319

Competition.

2 C.F.R. 200.321

Contracts – Minorities, Women and Small Businesses.

Procedure History:

Promulgated on: July 20, 2020

Revised on:

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7400P4

#### General Procurement Standards for Federal Awards

##### Contractor Oversight

The District shall maintain oversight to ensure that its contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

##### Conflict of Interest

The following standards of conduct define conflicts of interest and governing the performance of employees engaged in the selection, award, and administration of contracts:

1. No District employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest is present when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm or person considered for a contract.
2. District officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or service or item exceeding \$50 in value from any contractors or subcontractor. Any District employee, who solicits any gift, or who accepts an unsolicited gift with a value exceeding \$50, shall be subject to disciplinary action up to and including termination. Any District officer or agent shall be immediately terminated or separated from District service.

##### Efficient Purchases

The District shall use all resources and assets effectively and efficiently. Accordingly, prior to any purchase request, the requestor shall evaluate the need for the item, and shall ensure that the acquisition of unnecessary or duplicative items is avoided. In addition to the previous requirements, whenever feasible, consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Finally, where appropriate, an analysis will be made of lease versus purchase alternatives, and any similar analysis of alternatives to determine the most economical approach.

1. To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal government, the District shall endeavor to enter into state and local intergovernmental agreements or inter-entity

agreements where appropriate for procurement or use of common or shared goods and services.

2. The District shall endeavor to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
3. The District shall endeavor to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
4. The District shall award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
5. The District shall maintain records sufficient to detail the history of procurement. These records shall include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
6. The District may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and material type contract means a contract whose cost to the District is the sum of:
  - a. The actual cost of materials; and
  - b. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

This formula generates an open-ended contract price, a time-and materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract shall set a ceiling price that the contractor exceeds at its own risk. Further, the District shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

7. The District alone shall be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the District of any contractual responsibilities under its contracts. Violations of law shall be referred to the local, state, or Federal authority having proper jurisdiction.

Legal Reference:  
2 C.F.R. § 200.318 General Procurement Standards

Procedure History:  
Promulgated on: July 20, 2020  
Revised on:  
Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7405**

Public Works Contracting and Procurement

No contract involving a public works project shall be let to any contractor who is not licensed as required by the laws of this State. Further, the District shall at all times adhere to the bidding requirements for public works contracting and procurement as set out in State law.

**Public Works Contractor Licensure Requirements**

\$0 to \$50,000	No licensure requirement	IC 54-1903(9)
\$50,000 and above	Licensure required	IC 54-1903(9)

**Exemptions from Public Works Contractor Licensure**

Less than \$50,000 for construction, alteration, improvement, or repair.	Single project with any number of trades	IC 54-1903(9)
Any construction, alteration, or repair due to an emergency.	Pursuant to the provision of, Chapter 10, Title 46 Idaho Code	IC 54-1903(11)

**Public Works Construction Bidding**

\$0 to \$50,000	No bidding requirements	IC 67-2803(2)
\$50,000 to \$200,000	Semi-formal bidding: Issue written requests for bids describing the work to at least 3 licensed contractors. Allow 3 days for written response; objections 1 day prior to bid. Keep records for 6 months. Accept low bid or reject all bids.	IC 67-2805(1)
\$200,000 and above	Formal bidding 2 <b>Options A &amp; B:</b>	IC 67-2805(2)

**Category A** – Open to all licensed contractors. Publication requirements. Written objections allowed. May request bid security/bond. Accept low bid or reject all bids. See code for details. (IC 67-2805(2)(a).)

**Category B** – Open to pre-qualified contractors. After pre-qualification is determined, the bidding process is in the same manner as Category A. (IC 67-2805(2)(b).)

Legal References:

I.C. § 33-601            Real and Personal Property – Acquisition, Use or Disposal of Same  
I.C. § 54-1903        Unlawful to Engage in Public Works Contracting Without License –  
                                 Exemptions  
I.C. § 67-2801 *et seq.* Purchasing by Political Subdivisions  
I.C. § 74-401 *et seq.* Ethics in Government

Other Reference:

Policies and Procedures Used Template, Idaho State Department of Education,  
<http://www.sde.idaho.gov/sped/funding/>

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7407**

Public Procurement of Goods and Services

The District shall at all times adhere to the bidding requirements for the procurement of goods and services as set out in State law.

\$0 to \$50,000	No bidding requirements	IC 67-2803(2)
\$50,000 to \$100,000	Semi-formal bidding: Issue written requests for bids describing goods or services desired to at least three vendors. Allow three days for written response, unless an emergency exists; One day for objections. Keep records for six months. Accept low bid or reject all bids.	IC 67-2806(1)
\$100,000 and above	Formal bidding: Publish bid notice at least two weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid security/bond. Can reject all if able to purchase more economically in the open market.	IC 67-2806(2)

**Exemptions to Public Procurement of Goods and Services Bidding**

Personal Property	Already competitive bid (piggybacking)	IC 67-2803(1)
Less than \$50,000	Contracts or purchases of goods or services	IC 67-2803(2)
Any Amount	Payments of Wages	IC 67-2803(3)
Any Amount	Personal or professional services performed by an independent contractor. (Refer to info on qualifications in I.C. 67-2320)	IC 67-2803(4)
Any Amount	Procurement of an interest in real property – lease or purchase	IC 67-2803(5)
Any Amount	Procurement of insurance	IC 67-2803(6)
Any Amount	Costs of Joint Powers participation	IC 67-2803(7)
Any Amount	Procurement of used personal property	IC 67-2803(8)

Any Amount	Procurement from federal government general services administration (GSA) schedules or federal multiple award schedules (MAS)	IC 67-2803(9)
Any Amount	Procurement of personal property or services through contracts entered into by the division of purchasing of the department of administration of the state of Idaho	IC 67-2803(10)
Any Amount	Procurement of goods for direct resale	IC 67-2803(11)
Any Amount	Procurement of travel and training	IC 67-2803(12)
Any Amount	Procurement of goods and services from Idaho correctional industries	IC 67-2803(13)
Any Amount	Procurement of repair for heavy equipment	IC 67-2803(14)
Any Amount	Procurement of software maintenance, support and licenses of an existing system or platform that was bid in compliance with state law	IC 67-2803(15)
Any Amount	Procurement of public utilities	IC 67-2803(16)
Any Amount	Procurement of food for use in jails or detention facilities	IC 67-2803(17)
Any Amount	Procurement of used equipment at an auction if authorized by the governing board	IC 67-2803(18)
Any Amount	Emergency Expenditures	IC 67-2808(1)

Legal Reference:  
I.C. § 67-2801 *et seq.* Purchasing by Political Subdivisions

Policy History:  
Adopted on: January 20, 2020  
Revised on:  
Reviewed on:

Entering into Professional Service Contracts with Design Professionals, Construction Managers, and Professional Land Surveyors—The Request for Qualifications Procedure

Selection of Public Works Professionals to be Based on Qualifications

Notwithstanding any other provision of Idaho law to the contrary, it shall be the policy of the Board that it shall make selections for all professional engineering, architectural, landscape architecture, construction management, and professional land surveying services on the basis of qualifications and demonstrated competence. The Board shall negotiate contracts or agreements for such services on the basis of demonstrated competence and qualifications for the type of services required at fair and reasonable prices.

Procedures to Select Public Works Professionals for Contracts Greater than \$25,000

In carrying out this policy the Board shall use the following guidelines when securing contracts for engineering, architectural, landscape architecture, construction management, and land surveying services on projects for which the professional service fee is anticipated to exceed the total sum of \$25,000. These guidelines do not apply to professional services contracts previously awarded for an associated or phased project for which the expenditure is otherwise exempt from the bidding process provided by law:

1. The Board or its designee will encourage persons or firms engaged in the services being solicited to submit statements of qualifications and performance data.
2. The Board or its designee will establish and make available to the public the criteria and procedures used by the District for the selection of qualified persons or firms to perform such services.
3. The Board shall select the persons or firms it determines to be best qualified to provide the required services, ranked in order of preference, pursuant to the District's established criteria and procedures.
4. The Board or its designee shall then negotiate with the highest ranked person or firm for a contract or agreement to perform such services at a price determined by the Board to be reasonable and fair to the District after considering the estimated value, the scope, the complexity, and the nature of the services provided.
5. In the event the Board or its designee is unable to negotiate a satisfactory contract or agreement with the highest ranked person or firm, it shall formally terminate such negotiations and proceed to undertake negotiations with the next highest ranked person or firm, following the procedure prescribed in Item 4, above.

6. If the Board or its designee is unable to negotiate a satisfactory contract or agreement with any of the selected persons or firms, it shall continue with the selection and negotiation process provided in this policy until a contract or agreement is reached.
7. When the Board solicits requests for qualifications and proposals for engineering, architectural, landscape architecture, construction management or land surveying services for which the professional service fee is anticipated to exceed the total sum of \$25,000, the Board or its designee shall publish public notice in the same manner as required for the bidding of public works construction projects set forth at Policy 7410.
8. In fulfilling the requirements of Items 1 through 7 of this policy, the Board may limit its selection from a list of three persons or firms selected and preapproved for consideration by the public agency or political subdivision. In establishing a preapproved list, the Board shall publish notice as set forth in Item 7 of this policy. When selecting from such list, no notice shall be required.
9. In fulfilling the requirements of Items 1 through 7 of this policy, the Board may request information concerning a person's or firm's rates, overhead and multipliers, if any, however such information shall not be used by the Board or its designee for the purpose of ranking in order of preference as described in Paragraph 3 of this policy.

#### Approvals for Phased Projects

When the Board has previously awarded a professional services contract to a person or firm for an associated or phased project, the Board may, at its discretion, negotiate an extended or new professional services contract with the previously selected person or firm.

#### Cross References:

Policy 7405P                      Procuring Public Works, Services, and Personal Property

#### Legal References:

I.C. § 67-2320                      Professional Service Contracts with Design Professionals,  
Construction Managers and Professional Land Surveyors

#### Other Reference:

Policies and Procedures Used Template, Idaho State Department of Education,  
<http://www.sde.idaho.gov/sped/funding/>

#### Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

Acquisition of Real and Personal Property

Procurement of Public Works, Goods or Services

Except for the purchase of curricular materials as defined at Idaho Code § 33-117A, all contracts for the construction, repair, or improvement of any real property, or the acquisition, purchase or repair of any equipment, or other personal property necessary for the operation of the School District shall be entered into in accordance with the provisions of Procedure 7405P.

Purchase of Real Property

When purchasing real property for District use, the Board may designate and purchase any real property which it finds is necessary for school purposes or for the operation of the District. After making such determination and to accomplish the purchase of the designated real property, the Board will:

1. Not more than one year prior to any purchase of real property, have such property appraised by an appraiser certified in the state of Idaho. This appraisal shall be entered into the records of the Board and shall be used to establish the value of the real property
2. Determine the size of the site necessary for school purposes. The site shall be located within the incorporated limits of any city within the District; However, if the Board finds that it is not in the best interests of the electors and the students of the District to locate the site within the incorporated limits of a city, the Board may designate a site located elsewhere within the District. The Board may do so by duly adopting a resolution setting forth the reasons for its finding.
3. In purchasing such real property, the Board shall comply with the prohibition against indebtedness set forth at Section 3, Article VIII of the Idaho Constitution:
  - A. By purchasing such real property with cash; or
  - B. By obtaining 2/3 voter approval to incur indebtedness in accordance with Section 3, Article VIII of the Idaho Constitution; or
  - C. Through issuance of voter approved bond financing as set forth at Idaho Code § 33-1103.

Cross References:

Policy 7405P            Procuring Public Works, Services, and Personal Property

Legal References:

I.C. § 33-601            Real and Personal Property—Acquisition, Use, or Disposal of Same

I.C. § 33-1103            Definitions—Bonds—Limitation on Amount— Elections to Authorize  
Issuance

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

Petty Cash Funds

The use of petty cash funds shall be authorized for specific purchases only. Those purchases will include individual purchases of supplies and materials under the amount of Fifty Dollars (\$50), postage, delivery charges, and freight. Individual personal reimbursements which exceed Fifty Dollars (\$50) should not be made from petty cash funds. Petty cash accounts will be maintained as cash on hand, and the total dollar amount of each petty cash account will be limited to One Hundred Dollars (\$100) for elementary schools and school offices and departments.

Each administrator of a school or department with a petty cash fund account may appoint and designate a fund custodian to carry out the bookkeeping and security duties. Monies which are not specifically petty cash monies shall not be co-mingled with the petty cash fund. At the conclusion of each school year, all petty cash funds must be closed out and the petty cash vouchers and cash on hand returned to the business office for processing.

The District business office shall be responsible for establishing the procedures involving the use and management of petty cash funds.

Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7420

#### Personal Reimbursements

While it is recommended that all purchases of goods or services be made within established purchasing procedures, there may be an occasional need for an employee to make a purchase for the benefit of the District from personal funds. In that event, an employee will be reimbursed for a personal purchase under the following criteria:

1. It is clearly demonstrated that the purchase is of benefit to the District.
2. The purchase was made with the prior approval of an authorized administrator.
3. The item purchased was not available from resources within the District.
4. The claim for personal reimbursement is properly accounted for and documented with an invoice/receipt.

The District business office will be responsible for the development of the procedures and forms to be used in processing claims for personal reimbursements.

#### Policy History:

Adopted on: May 18, 2004

Revised on: January 20, 2020

Reviewed on:

Travel Allowances and Expenses

Every District employee and Board Member will be reimbursed for travel expenses while traveling outside of the District and engaged in official District business. All travel expenses must be reported on the District-approved travel voucher forms and, for employees, approval must be granted prior to traveling by the employee's supervisor and the Superintendent. The District will adhere to the State Travel Policy, which can be found at <https://www.sco.idaho.gov/ViewerFiles/StateTravelPolicy/State-Travel-Policies-and-Procedures.html#page=7>.

The District business office will be responsible for the development of procedures and forms to be used in connection with travel expense claims and reimbursements.

Types of Travel

**In District Expenses:** District employees and Board Members shall be reimbursed for actual and necessary expenses incurred within the District while attending to District business. Actual mileage driven for pre-approved in-District travel shall be reimbursed. It is the responsibility of the Board to review travel within the District by the Superintendent or by Board Members.

Meals incurred inside the District shall not be reimbursed, except for banquets attended to represent the District.

**Out of District Travel:** Travel outside of the District must be pre-approved. Board Members shall obtain Board approval prior to incurring out of District expenses, and employees shall obtain prior approval from the Superintendent.

Actual monies spent for food while on out of District trips requiring an overnight stay shall be reimbursed.

District employees and Board Members shall be reimbursed for actual and necessary expenditures incurred outside the District.

Documentation of Expenses

Expenses not in compliance with this policy shall not be reimbursed or paid by the Board. Prior to reimbursement of actual and necessary expenses, the District employee or Board Member must submit a detailed receipt indicating the date, purpose, and nature of the expense for each claim item and any appropriate travel expense or voucher form. Expenses requiring prior approval must also include a copy of the written prior approval. Employees shall submit their receipts, travel expense forms, and voucher forms to the Superintendent.

The Superintendent and Board Members shall submit such documentation to the Board. Failure to provide a detailed receipt will make the expense non-reimbursable.

In exceptional circumstances, the Board may allow a claim without a proper receipt. Written documentation explaining the exceptional circumstances will be maintained as part of the District's record of the claim.

The Board directs the Superintendent to promulgate procedures specifying which expenses shall be reimbursable for travel of different distances and durations.

### Travel Costs Under Federal Award

**General:** Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. Such costs may be charged on an actual cost basis, or on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip and results in charges consistent with those normally allowed in like circumstances in the recipient's non-federally funded activities and in accordance with the recipient's written travel reimbursement policies.

**Lodging and subsistence:** Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the District in its regular operations as the result of its written travel policy. In addition, if these costs are charged directly to the federal award, the District will maintain documentation justifying the following:

1. Participation of the individual is necessary to the federal award; and
2. The costs are reasonable and consistent with this policy and any related procedures.

Travel costs for dependents are unallowable.

**Commercial air travel:** Airfare costs in excess of the basic, least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:

1. Require circuitous routing;
2. Require travel during unreasonable hours;
3. Excessively prolong travel;
4. Result in additional costs that would offset the transportation savings; or
5. Offer accommodations not reasonably adequate for the traveler's medical needs.

Legal Reference:

2 C.F.R. § 474            Travel Costs

I.C. § 33-701

Fiscal Year – Payment and Accounting of Funds

Other Reference:

State Travel Policy (available at

<https://www.sco.idaho.gov/LivePages/state-travel-policy-and-procedures.aspx>)

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on:

Travel Allowances and Expenses

Approval and Authorization

1. All payment of claims for travel related expenses must be authorized by the Superintendent
2. A traveler is eligible for travel cost reimbursement only when they are on official travel.

Payment Methods, Forms, and Documentation

1. To the extent practical, all cost for travel shall be incurred originally with district funds, through the use of the districts credit card, or other methods to minimize the need for the traveler to incur cost prior to being reimbursed.
2. All travel and related cost must be documented for the following items:
  - A. Lodging expense
  - B. Airfare
  - C. Airline baggage fee
  - D. Tax
  - E. Rental vehicle
  - F. Fuel purchase for rental vehicle
  - G. Parking fees
  - H. Conference registration
  - I. All other expenses not specifically described but are reasonable and necessary in the conduct of official business
3. Evidence of expenditure must contain the date of transaction, vendor name and location, and description of cost for each item on the original invoice or receipt.
4. Evidence is not required for meals under "Per Diem Allowance".
5. All travel claims filed are expected to be audited to ensure compliance.
6. If a traveler deviates from the original travel plans, they must document the reason.

Mode and Route of Travel

1. Travelers must use the most cost-effective and efficient mode of travel. Additional factors can be considered such as weather conditions, travel time, or hazards to the traveler.
2. Mileage for using private vehicle for official business shall be computed according to Google maps or other source which support the distance as the most direct and/or efficient route.
3. Travelers will be paid mileage rate not to exceed the federal mileage rate. The current mileage rate is \$0.58 per mile.
4. Under no circumstance is the purchase of gasoline dispensed into a private vehicle an allowable expense in-lieu of mileage reimbursement for using a private vehicle for official business.

5. If a district-owned vehicle is available to the traveler but for personal reasons a private vehicle is used, the mileage reimbursement shall be limited to one-half the established rate, unless the full rate is authorized.
6. The use of a district vehicle for personal or other non-official business is strictly prohibited.
7. Any infractions of traffic laws and resulting fines are the sole responsibility of the traveler and are not a reimbursable expense by the district.
8. The cost for commercial airfare shall be limited to the lowest available class of passage rate. Baggage fees charged shall not exceed one checked back and one carry-on bag. Upgrades or additional cost are not the responsibility of the district.

**Travel Status**

1. The duration of official travel shall not exceed the maximum time necessary to conduct district business.
2. If a traveler chooses to extend their stay outside of official travel, allowable travel costs shall not exceed the amounts that would have been incurred had the traveler not combined personal travel with business travel.
3. Any changes to the duration of official travel resulting from unusual circumstance, such as severe weather, road conditions, airline delays, illness or other situations beyond the traveler’s control, must be full documented and approved by the Superintendent to support the increase/decrease of allowable cost.

**Lodging**

1. The process for selecting a lodging vendor for each official travel day shall consider the proximity to the required work location, room type, and daily rate. At the time a reservation is made or when registering on-site, travelers should request the “government rate” if available.
2. Lodging provided by relatives or other individuals is not an allowable expense.
3. No claim will be paid for lodging if the traveler is not in official travel status.

**Per Diem Allowance**

1. A daily Per diem allowance shall be paid to the traveler in accordance with the amounts and hours of the day as established by the district.
2. Per Diem/Time Guidelines:

Meal	Breakfast	Lunch	Dinner	All Day
Max Amount	\$12.25	\$17.15	26.95	\$49
Meal Eligibility	Depart 7:00 AM or earlier	Depart 11:00 AM or earlier	Depart 5:00 PM or earlier	Note: \$49 is the max/day.
	Return 8:00 AM or later	Return 2:00 PM or later	Return 7:00 PM or later	

3. When meals are furnished by others as part of a meeting, conference, or lodging,

the Per diem allowance for the day shall be calculated for only those meals not provided.

#### Incidental Expenses

1. Tips and Gratuity for meals are included in the Per diem allowance and cannot be claimed.
2. The district does not pay for telephone charges, Internet access, or entertainment.
3. The cost for laundry and dry-cleaning services are allowable If the trip exceeds five (5) days.

#### Travel Premiums

1. Travel premiums and benefits such as frequent flyer miles or hotel points are awarded to the traveler.

#### Third Party Funded Travel

1. Each traveler is responsible for identifying travel cost paid or reimbursed by outside sources. It is the responsibility of each traveler to ensure that they do not “double dip” with third party funds and district funds.

## Swan Valley School District No. 92

### FINANCIAL MANAGEMENT

7440

#### District Credit Cards

The Board of Trustees permits the use of District credit cards by certain school officials to pay for actual and necessary expenses incurred in the performance of work-related duties for the District.

All credit cards will be in the name of the School District. Credit cards may only be used for legitimate District business expenditures. The use of credit cards is not intended to circumvent the District's policy on purchasing. Purchases that are unauthorized, illegal, represent a conflict of interest, are personal in nature, or violate the intent of this policy may result in credit card revocation and discipline of the employee.

The Superintendent shall monitor monthly the use of each credit card by reviewing credit card expenditures and reporting any serious problems and/or discrepancies directly to the Board.

#### Credit Card Users

A list of those individuals that will be issued a District credit card will be maintained in the Business Office and reported to the Board each year at its regular meeting in July. Credit card users must take proper care of the credit card(s) and take all reasonable precautions against damage, loss, or theft. Any damage, loss, or theft must be reported immediately to the Business Office and to the appropriate financial institution. Failure to take proper care of credit cards or failure to report damage, loss, or theft may subject the employee to financial liability.

Users must submit detailed documentation, including itemized receipts for services, travel, and/or other actual and necessary expenses which have been incurred in connection with school-related business for which the credit card has been used. Failure to provide a proper receipt can make the employee responsible for expenses incurred.

#### Credit Card Limits

The District shall establish a credit line not to exceed \$10,000 (e.g. \$2,500) for each card issued and an aggregate credit limit of \$10,000 (e.g. \$25,000) for all cards issued to the District.

#### Return of Credit Card

A District employee who is no longer employed by the District shall return the credit card upon termination to the Superintendent no later than five calendar days after termination.

Misuse and/or Unauthorized Use

An employee who violates a provision of this policy shall have his or her credit card revoked immediately and shall be subject to disciplinary action as determined by the Superintendent and shall be reported to local law enforcement. If the Superintendent violates a provision of this policy, he or she shall be subject to disciplinary action as determined by the Board and shall be reported to local law enforcement.

Additional Procedures

The Superintendent, in consultation with the Assistant Superintendent and/or Business Manager, may establish additional procedures governing the issuance and use of District credit cards that do not contradict any part of this policy. Each cardholder shall be apprised of the procedures governing the use of the credit card and a copy of this policy and accompanying procedures shall be given to each cardholder.

Legal References:

- I.C. § 18-5701            Misuse of Public Money by Officers
- I.C. § 18-5703            Definitions

Policy History:

- Adopted on: January 20, 2020
- Revised on:
- Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7440F**

District Credit Card Holder Agreement

By my signature I hereby acknowledge that I have read and understand the Swan Valley School District's credit card policy. Furthermore, I affirm that I will not use the credit card for personal reasons. I understand that a violation of this agreement may result in disciplinary action up to and including termination, and possible legal action.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Position

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date Signed

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7500**

New Fees or Increase of Fees

The Superintendent or designee shall review annually fees assessed to determine if an increase, decrease, new fee, or other change is necessary. The Superintendent or designee shall report the fee findings to the Board at least annually.

In the event a fee increase of four percent or less from the prior fee amount is necessary, the Board can review and vote on such a fee increase. However, in the event a fee increase of five percent or more from the prior fee amount is necessary, the Board shall hold a hearing upon such proposed fee increase at a regular or special meeting of the Board.

The Board shall provide notice of the meeting according to Idaho Code § 63-1311A. Meeting notice shall include the reason for the meeting, (i.e. the Board is considering a fee increase that is in excess of five percent of the amount of fees last collected prior to such decision). If the Board is considering assessing a new fee, the meeting notice shall indicate such.

Cross Reference:

3440            Student Fees, Fines & Charges  
7300            Revenues

Legal reference:

I.C. § 33-603            Payment of Fees or Returning of Property  
I.C. § 60-106            Qualifications of Newspapers Printing Legal Notices  
I.C. § 63-1311A        Advertisement of and Hearing on Fee Increases

Policy History:

Adopted on: January 20, 2020  
Revised on:  
Reviewed on:

**Swan Valley School District No. 92**

**FINANCIAL MANAGEMENT**

**7600**

Declaration of Financial Emergency

This section and related Board policies shall apply in the instance of a financial emergency. However, any subsequently enacted statute or amendment to existing statutes shall have control over this policy and replace this policy as well as all other related policies, procedures, and forms.

The Board of Trustees is dedicated to sound and efficient financial management. Recognizing the limitations and fluctuations in funding and the potential negative impact on the District’s fiscal status due to historical revenue and/or expenditure issues, the District must take specific action to ensure education remains the primary goal and responsibility of the District. In the event that the financial situation of the District necessitates such action, the Board will consider a declaration of financial emergency.

Prior to declaring a financial emergency, the Board shall hold a public meeting for the purpose of receiving input concerning possible solutions to the financial problems facing the District.

Legal References:

- I.C. § 33-402            Notice Requirements
- I.C. § 33-515            Issuance of Renewable Contracts
- I.C. § 33-522            Financial Emergency
- I.C. § 33-801            School District Budget

Policy History:

Adopted on: January 20, 2020

Revised on:

Reviewed on: