

## **SECTION 300 - FISCAL MANAGEMENT**

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**301.0 - THE GOAL OF FISCAL MANAGEMENT**

One of the primary responsibilities of the Board of Trustees is to secure adequate funds to carry out a high level program of education. The quantity and quality of learning programs are directly dependent on the funding provided and the effective, efficient management of those funds.

A goal of the Board of Trustees is to provide each student with the most effective and efficient educational program possible within the financial means available. It is imperative that all personnel of the District establish and practice sound fiscal management procedures which guarantee the maximum utility from each dollar expended.

**Policy History:**

Adopted: 05/17/2017

Revised: 04/13/2017  
02/25/2003

Reviewed: 03/08/2017

### **302.0 - ANNUAL BUDGET**

The annual school budget is the financial outline of the District's educational program; it is the legal basis for the establishment of tax rates. The annual school budget process is an important function of school district operations and should serve as a means to improve communications within the school organization and with the residents of the community.

In Idaho, public school budgeting is controlled by statute and state regulations. A budget is required for every fund that a school system uses in its yearly operation.

#### **302.1 - Fiscal Year**

The fiscal year is defined as beginning on the first day of July and ending on the thirtieth day of June.

#### **302.2 - Budget Planning, Preparation, and Management**

Budget preparation and control shall be through the Office of Business and Operations. Leadership and the solicitation of budget input will be arranged and sought as needed by the Superintendent. Designees will be responsible for preparing and presenting to the Board for adoption, the annual school budget. By law, the adoption of the budget by the Board must take place no later than thirty (30) days prior to the Board's annual meeting.

Budget planning shall be an integral part of curriculum program planning so that the budget may effectively express and implement all programs and activities of the school system. This planning shall be a year-round process involving broad participation by administrators, supervisors, teachers, and other personnel within the school system.

##### **302.2.1 – General Fund Contingency**

Consistent with Idaho Code Section 33-801A, it is the intent of the Board to establish and maintain a General Fund contingency of 3-5% of current expenditures. Any variance, outside these parameters, must be approved by the Board.

#### **Policy History:**

Adopted: \_\_\_\_\_ Revised: 02/25/2003 Reviewed: 03/08/2017

#### **302.3 - Sources of Funding**

Funds legitimately available and useful to the public schools through local taxation, state support, and federal programs will be sought in accordance with the provisions of the law that controls the distribution of such funds.

Idaho statutes provide a number of avenues whereby funds are made available to the school districts. Annual tax levies, special assessments, and the like will be reviewed annually.

Dedicated funds are provided through the State Department of Education to support programs for students with special needs. These sources and the requirements for eligibility will be under constant review to ensure full district participation in the use of these funds.

It is the intent of the Board, and it so directs the administration, to study federal legislation and recommend to the Board those particular parts of the legislation which may potentially help the Board provide better educational opportunities, a better educational environment, and better physical and mental growth for each pupil. The Board will seek and utilize all federal, state and foundation grants available which are consistent with the advancement of the educational program of the District and consistent with the policies of the Board. The preparation of proposals will be consistent with the budgetary practices of the district.

From time to time philanthropic individuals or groups may offer to make funds available to the school district. These funds will, when accepted, be used to promote the educational activities of the District. Where necessary, the Board will review the terms and conditions of the grants or gifts to ensure they are in line with the district's policy and goals.

**Policy History:**

Adopted: \_\_\_\_\_ Revised: 10/26/2004 Reviewed: 03/08/2017

**302.4 - Investment of School Funds**

The Board authorizes the Business Department to invest such school district moneys as are determined not immediately needed for the operation of the school district.

Investments may be made only in those instruments approved by, and in a method conforming to, state law.

**Policy History:**

Adopted: 05/17/2017 Revised: 04/12/2017 Reviewed: 03/08/2017  
10/26/2004

**302.5 - Borrowing Authority/Limitations**

The Board is permitted, by law, to borrow money in anticipation of collection of taxes for the purpose of securing funds for school operations or for the payment of previous loans.

**302.6 - Budget Publication, Review Hearings, etc.**

1. Publication: The tentative budget document as approved by the Board shall be published and made available to all interested parties.

2. Public Hearings: At least one (1) public hearing on the proposed budget shall be held prior to the adoption of the budget. A notice stating the location, date, and hour of the public hearing shall be placed in the local newspaper fourteen (14) days prior to the date of the public hearing. Public notices shall also be displayed in not less than three (3) places within the community.
3. Budget Amendments: Fund transfers between major sections of the budget may be made only upon approval of the Board of Trustees. Minor adjustments within specific categories to accommodate changes in curriculum or other minor operational problems may be made upon approval of the Superintendent of Schools.
4. Updates and Revisions: The budgeted revenues and expenditures of the District will be reviewed formally by the Board of Trustees no less often than once each year after formal adoption. Actual revisions will be made according to Idaho Code when anticipated expenditures will exceed their projected levels.
5. After the budget has been adopted by the Board, a copy will be sent to the State Department of Education.

### **302.7 - Budget Adoption**

Following consideration of the budget proposal presented by the Administrative/Finance Committee, the Board will approve a proposed budget and so notify the public.

The proposed budget will be available for inspection in the office of the Superintendent.

**303.0 - BUDGET IMPLEMENTATION**

The District budget serves as the control to direct and limit expenditures. Overall responsibility for this control is vested with the Business Department which will establish the procedures for budget control and reporting throughout the district.

The total amounts which may be expended during the fiscal year for the operation of the school system are set forth in the budget. The total amount budgeted as the expenditure for each program is the maximum amount which may be expended for that classification of expenditures during the school year, except as a transfer of funds, is authorized by the Board.

The superintendent and his staff are authorized to make commitments in accordance with the approved budget, policies of the Board, and administrative plans approved by the Board.

**Policy History:**

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10/26/2004

Reviewed: 03/08/2017

## **304.0 - ACCOUNTING AND REPORTING SYSTEM**

### **304.1 - Accounting System**

To ensure reliable and valid management information, a uniform system of accounting will be used by all departments and schools within the district. Where practical, this system of accounting will embrace the principles, practices, and concepts embodied within an accrued encumbered method of accounting.

The following purposes must be satisfied by the accounting system:

1. Administrative Control: The financial records must be adequate to guide the making or deferring of purchases, the expanding or curtailing of programs, and the controlling of expenses. Current data should be immediately available and in such form that periodic summaries may be readily made from the data.
2. Budget Preparation: The financial records must be adequate to serve as a guide to budget estimates of subsequent years and to hold expenditures to the amounts appropriated. Accounts are to be kept for each item for which separate budget estimates must be made.
3. Accounting for Stewardship: The financial records of the District must be adequate to show that those responsible have handled funds within the framework of law and in accordance with Board Policy.

The District's financial records will provide the following information:

- a. For each account in the District's budget: The appropriation and revenues, transfers, current and accumulative expenditures, unencumbered balances, and unreceipted revenues.
- b. For each purchase order: The name of vendor, description of the item involved, the amounts, the call for bids if required, and an abstract of the bids received. Purchase order sets will be numbered and each set accounted for.
- c. For each purchase: The purchase order information above, plus the record of receipt and condition of goods, the invoice, the record of Board approval and the record of payment.

### **Policy History:**

Adopted: 05/17/2017

Revised: 04/12/2017

Reviewed: 03/08/2017

### **304.2 - System Design**

The system shall be multidimensional in nature and be able to cross reference data to curriculum program elements, school activities, business functions and departments, school locations and such other features as are necessary in the effective and efficient management of the District's business. Federal and state regulations must be accommodated in this design.

This system of accounts shall be used for all business transactions and budget documentation to establish uniformity of systems and procedures.

A complete and current chart of accounts will be maintained and available to all divisions and departments. Updating the chart of accounts and the training of personnel will be the responsibility of the Business Department.

The annual fiscal audit of all books and accounts of the school district and student activities will be conducted by an independent certified public accountant. Such audit shall be prepared consistent with generally accepted principles of accounting and will satisfy any and all legal requirements for the same.

The financial audit shall be completed and all reports compiled and presented to the Board and administrative staff. Copies of the audit will be filed in the district office and state agencies in accordance with the Idaho Code.

In addition to the quantitative audit, a separate management report shall be prepared by the independent audit firm for purposes of providing a qualitative review of district financial operations. Said report will be given to the Board and the administration at the time of the annual audit report.

### **304.3 - School Accounts**

Special accounts for student activities, faculty groups, or special projects may be maintained by the respective schools, but the management, accounting, and auditing will be controlled through established procedures set by the Business Department.

### **Policy History:**

Adopted: 05/17/2017

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10/26/2004

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### **304.4 - Financial Reporting**

A list of all District Expenditures shall be prepared no less often than once each month. This summary shall be presented to the Board of Trustees on the first meeting of each month for review and approval.

Reports showing the financial condition of the school district budget versus actual revenues and expenditures shall be presented to the Board of Trustees as requested.



### **305.0 - INVENTORIES**

A continuing inventory will be kept of the District's capital equipment. Each school will maintain a complete inventory. Schools are encouraged to maintain a video inventory record in addition to their written inventory. A duplicate record containing all school inventories will be maintained by the Business Office. Supplies, small tools, and consumable materials will be inventoried annually.

The Business Office is assigned the responsibility for developing procedures for maintaining district inventories. A copy of the complete inventory will be on file in the Administration office. Building administrators will implement the procedures, providing reports as requested on the contents of their buildings.

Each teacher is responsible for maintaining an inventory of equipment, materials, and supplies in his or her shop, laboratory, or classroom. Such record shall be updated no less than once per year during the last month of school.

#### **Policy History:**

Adopted: 6/25/2002

Revised: 10/26/2004

Reviewed: 03/08/2017

### **306.0 – PURCHASING**

The function of purchasing is to serve the educational program by providing the necessary supplies, equipment, and services. The Board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. The acquisition of supplies, equipment, and services will be centralized and supervised in the Business Department.

The Business Department has responsibility for the quality and quantity of purchases made. The prime guidelines governing this responsibility are that all purchases fall within the framework of budgetary limitations and that they be consistent with the approved educational goals and programs of the district.

All goods, services, equipment, and supplies for the school district will be purchased in accordance with the provisions of the Idaho Code and good purchasing practices.

#### **306.1 - Annual Purchases**

Where possible, it will be the practice of the school district to group like materials, equipment, and supplies and bid them on a bulk basis.

#### **306.2 - Bids and Quotations**

Idaho Falls School District #91 shall be in compliance with State Public Works and Procurement Laws including:

1. Public Works Construction Bidding:
  - a. \$0.00 - \$49,999 = No bidding is required.
  - b. \$50,000 - \$200,000 = Semi-formal bidding: The District must request at least 3 bids in writing, describing the work to be completed. Three days must be allowed for response, with one additional day prior to bid opening to allow for objections. By statute, the District must accept the low bid or reject all bids and rebid. Related records must be kept for six months. If it is impossible or impractical to obtain 3 bids for the proposed public works procurement, the District may acquire the work in any manner the District deems best from a qualified public works contractor quoting the lowest price. If fewer than 3 bids are considered, a description of the effort undertaken to procure at least 3 bids shall be documented by the District and such documentation shall be maintained for at least six months.
  - c. \$200,001 and above = Competitive bidding required per Idaho Code 67-2805.
  - d. The District is exempt from Public Works Contracting:
    - i. For single projects less than \$10,000.
    - ii. For a single project of less than \$100,000 for which no responsive state of interest was received from a licensed contractor, when solicitations were provided per Idaho Code 67-2805.
    - iii. Any construction, alteration, or repair due to an emergency pursuant to Idaho Code 67-2808.

2. Public Procurement of Goods and Services Bidding:
  - a. \$0.00 - \$49,999 = No bidding is required.
  - b. \$50,000 to \$99,999 = Semi-formal bidding: The District must submit in writing a request for bids describing goods or services desired to at least three vendors. Unless an emergency exists, three days must be allowed for response, with one additional day prior to bid opening to allow for objections. By statute, the District must accept the low bid or reject all bids and rebid. Related records must be kept for six months. If it is impossible or impractical to obtain 3 bids for the proposed procurement, the District may acquire the property in any manner the District deems best from a qualified vendor quoting the lowest price. If fewer than 3 bids are considered, a description of the effort undertaken to procure at least 3 bids shall be documented by the District and such documentation shall be maintained for at least six months.
  - c. \$100,000 and above = Competitive bidding required per Idaho Code 67-2806 Section 2.
  - d. The Board of Trustees reserves the right to reject all bids if the District is able to purchase more economically on the open market.
  - e. Personal or professional services performed by an independent contractor are exempt from bidding laws (see policy 306.8).
    - a. Procurement of Goods and Services Using Federal Funds
      - i. \$0.00 - \$3,500 = No bidding required
      - ii. \$3,501 - \$49,999 = Federal rules require a price or rate quotation from an adequate number of qualified sources.
      - iii. \$50,000 and above = Follow procedures listed under 306.2.

3. 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 Policy 306.2.

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:

- a. 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
- b. 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.

- c. 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:
  - i. By purchasing such real property with cash; or
  - ii. By obtaining 2/3 voter approval to incur indebtedness in accordance with Section 3, Article VIII of the Idaho Constitution; or
  - iii. Through issuance of voter approved bond financing as set forth at Idaho Code § 33-1103.

Cross References: Policy 7406 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:

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<u>06/13/2018</u>	<u>05/09/2018</u>	<u>04/11/2018</u>
	<u>04/12/2017</u>	<u>03/08/2017</u>
		<u>11/08/2005</u>
		<u>10/26/2004</u>

**306.3 - Quality Control and Standardization**

All purchases, whether by competitive bid or quotation, shall consider the quality of the articles to be supplied and their conformity to predetermined specifications. Items commonly used in specific schools or on a district-wide basis, shall be standardized whenever possible, consistent with educational goals and in the interest of efficiency and/or economy.

Where specific products and/or services have historically proven favorable on a quality rather than a price basis, and where long run economic justification exists, purchases of such items will be made when the individual order does not exceed the statutory amount of \$25,000. Sole source purchases in excess of \$25,000 will be processed in accordance with Idaho Code 67-2808.

**Policy History:**

Adopted: <u>05/17/2017</u>	Revised: <u>04/12/2017</u>	Reviewed: <u>03/08/2017</u>
	<u>10/26/2004</u>	

**306.4 - Local Purchasing and Preferences**

The district will purchase locally whenever goods and services of equal quality at competitive prices are available.

Goods and services will not be purchased locally if they can be secured elsewhere at a savings to the District, or if a non-local source can provide a better quality of product, or service, or more efficient delivery. Local suppliers and contractors shall be given preference only as other conditions are equal.

For federally funded projects, the District shall conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local 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.

#### **306.4.1 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 will take affirmative steps to assure small business, minority-owned businesses and women’s business enterprises are to be used whenever possible:

#### **306.5 - Reservation of the Board**

It is the policy of Idaho Falls School District 91 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. The Board of Trustees reserves the right to reject any or all bids and to accept the bid or quotation which appears to be in the best interest of the District. Furthermore, the Board also reserves the right to waive any informality in any bid, or to reject and/or accept any part of any bid. Any bid may be withdrawn prior to the scheduled time for bid opening. Bids received after the time and date specified shall not be considered.

#### **306.6 - Purchase Orders and Contracts**

Properly executed purchase orders shall be used when procurement cards are not authorized. These purchase orders must be properly executed and approved by the Superintendent or his designee. **All purchases from district employees or their businesses with school funds must be pre-approved by the Board of Trustees. (see Policy 306.10)**

#### **Policy History:**

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05/17/2017

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04/12/2017  
05/08/2007  
10/26/2004

Reviewed: 12/11/2019  
03/08/2017

### **306.7 - Cooperative Purchasing**

Where possible, the District will join in cooperative purchasing with other school districts or organizations to take advantage of lower prices for bulk purchasing and to reduce the administrative costs involved in bidding provided that the purchasing cooperative follows State purchasing and federal procurement requirements.

#### **Policy History:**

Adopted: 02/12/2020  
05/17/2017

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04/12/2017

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03/08/2017

### **306.8 - Selection of Professional Services**

Professional services frequently may exceed \$25,000, the amount at which the purchase of services must be let for bid. However, these services are classified as professional and are excluded from bidding requirements per Idaho Code 67-2803. The selection of persons to perform these services will be made by the Board after full consideration of district needs and of what prospective contractors can offer.

#### **306.8.1 - 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 306.2.
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 306-2  
Legal References: I.C. § 67-2320 Professional Service Contracts with Design  
Professionals, Construction Managers and  
Professional Land Surveyors  
2 C.F.R. 200.319 Competition.  
2 C.F.R. 200.321 Contracts – Minorities, Women and Small  
Businesses.  
Other Reference: Policies and Procedures Used Template, Idaho State Department of  
Education, <http://www.sde.idaho.gov/sped/funding/>

### **306.9 District Credit Cards**

The Board of Trustees permits the use of District credit cards by certain school employees to pay for actual and necessary expenses incurred in the performance of work-related duties for the District. As with all purchases, the most economical purchase option should always be considered.

All credit cards will be in the name of Idaho Falls School District 91 (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.

#### **Appropriate Use of Credit Cards**

An employee who accidentally uses a District credit card for a personal purchase will be required to repay the charge and sign the Personal Use of P-card form. Repeated offenses may result in revocation of the District credit card, and the employee may be subject to disciplinary action.

The Business Department shall monitor use of District credit card's by auditing a sample of expenditures each month. Serious problems and/or discrepancies will be reported 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 Department. 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 Department 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 and could result in revocation of the District credit card.

### **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 or designee no later than five calendar days after termination.

### **Additional Procedures**

The Superintendent, in consultation with the Director of Finance, 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 Reference: I.C. § 18-5701    Misuse of Public Money by Officers  
                          I.C. § 18-5703    Definitions

### **306.10 Personnel Conflicts of Interest**

No employee has the authority to 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.

### 306.11 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:	Board Policy Section 300 -Fiscal Management	
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	Micropurchase
	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

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05/17/2017

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10/26/2004

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03/08/2017

### **307.0 - PAYMENT CLAIMS**

Payment of claims shall be presented to the Board of Trustees for approval using the following procedures:

1. The business department will be responsible for assuring that budget allocations are observed and that total expenditures do not exceed the amount allocated in the budget for all items.
2. All claims for payment from school department funds will be process by the business department. Payment will be authorized against invoices properly supported by approved purchase orders, with properly submitted vouchers, or in accordance with salaries and salary schedules approved by the Board.
3. The Board will receive, each month, the list of expenditures for payment from school and District funds.
4. When Trustees have questions regarding a claim, they will contact the business department for clarification. Invoices, statements, and vouchers will be available for inspection by the Trustees upon request.
5. When Trustees wish to discuss a claim in Board Meeting, prior to the approval of the claim, they will so advise the Board Chair or designee.
6. When notified (#5 above), at the meeting in which the claim is presented for approval, the Chair will invite questions and comments regarding the claim.
7. The lists will be reviewed and presented for approval by the Board of Trustees.

Where expenditures are inevitably going to exceed the budget, the business department will advise the superintendent and budget committee of the Board as to the nature of such over expenditures.

#### **Policy History;**

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Revised: 10/27/2003

Reviewed: 03/08/2017

### **308.0 – PAYROLL**

School District #91 shall contract the services of professional staff by virtue of approved contracts and shall cause payments for those services to be prorated over a period of twelve (12) months.

Full time classified personnel shall be paid for services by virtue of proper documentation and supervisory sign-off (time cards, etc.) and will be paid for the period of employment over a twelve-month period. Part time employees will be paid on a current basis. All salaries and supplements paid regular staff members, substitute or part-time personnel, and student workers will be paid through the business office. Compensation records kept by the Payroll Department will reflect an accurate history of the compensation and related benefits accorded each employee.

Administrative Procedures 308.0

<https://lficheweb1.d91.k12.id.us/WebLink/Browse.aspx?id=232632&dbid=0&repo=SD91LFDat>  
[a](#)

#### **308.1 - Payroll Schedules**

Unless otherwise established, payroll payments will be made monthly, with actual disbursements coming on the twentieth day of each month, or the last workday prior to the 20th of the month. Personnel reporting services on time cards (hourly) will submitted weekly. Administrative Procedures 308.1

<https://lficheweb1.d91.k12.id.us/WebLink/Browse.aspx?id=232632&dbid=0&repo=SD91LFDData>

#### **Policy History:**

Adopted: 05/17/2017  
06/09/2009

Revised: 04/12/2017

Reviewed: 03/08/2017

#### **308.2 - Payroll Deductions**

The following deductions are permitted by the Board:

1. Membership dues in recognized associations shall be deducted from those employees having signed the proper authorization form.
2. Deductions for employee contributions to the District's group medical, dental and life insurance programs;
3. Tax sheltered retirement plans and supplemental insurance approved by the Insurance Committee of the district;
4. Charitable organizations approved by the Board of Trustees; (see Policy 808.5)
5. Other deductions approved by the Superintendent or designee.

Administrative Procedures 308.2

<https://lficheweb1.d91.k12.id.us/WebLink/Browse.aspx?id=232632&dbid=0&repo=SD91LFDData>

#### **Policy History:**

Adopted: 05/17/2017  
06/25/2002

Revised: 04/12/2017  
06/28/2011

Reviewed: 03/08/2017

### **308.3 - Employees Paid with Federal Funds and Unexpected or Extraordinary Closures**

During any emergency closure of District facilities, District employees who are paid with federal funds shall be compensated or given unpaid time off in the same manner as similarly situated District employees paid with District funds. Such employees shall continue to perform their grant-funded duties during the closure, to the extent possible. This may include, to the extent practicable, working by phone, email, and video conference. Employees supported with federal grant funds who are intended to provide direct services to students may maintain contact with students during the period of the unexpected or extraordinary closure using the alternative, appropriate methods. District employees paid with federal funds shall return to work as soon as possible.

#### Paid Emergency Leave

Employees paid with federal funds may receive regular compensation during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits paid in accordance with their existing payment schedule, provided the corresponding pay and benefits are reasonable and required by law or district policy.

#### Federal Funding

It is the intent of the District to apply consistent accounting treatment when allocating funds across both federal and non-federal funding streams. The District will ensure that the expenditures incurred meet allowability requirements for the specific program and are both reasonable, regardless of whether the funding stream is federal, state, or local in nature.

Other References: Office of Management and Budget Memo M-20-11 dated March 9, 2020

#### **Policy History:**

Adopted: 04/22/2020

Reviewed: 04/15/2020

Revised: 03/10/2021

### **309.0 – TRAVEL EXPENSE REIMBURSEMENTS**

Travel expenses may be incurred and approved in line with budgetary allocations and regulations for specific types of expenses. An amount to cover necessary travel will be presented as part of the total budget each year.

#### **Travel Allowances and Expenses**

Every District employee 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 established travel expense and voucher forms and approval must be granted prior to traveling by the employee's supervisor and the Superintendent or designee.

The District Business Department 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 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.

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. Employees shall obtain prior approval from their supervisor and the Superintendent or designee. Travel outside the district shall be by the most economical and practicable means.

Employees will be paid an amount not to exceed the federal per diem rate for the city of travel or will be reimbursed for actual expenses not to exceed the federal per diem rate. 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 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 or designee. 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.

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

### **Documentation of Expenses**

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, food, and related items incurred by employees who travel on official business under a federal award. Such costs may be charged on an actual cost basis, or on a per diem mileage basis, or on a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip.

**Lodging and subsistence:** Costs incurred by employees 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. 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 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: I.C. § 33-701      Fiscal Year – Payment and Accounting of Funds  
                          2 C.F.R. § 474      Travel Costs

Policy History:

Adopted: 08/15/2018  
06/25/2002

Revised: 07/18/2018

Reviewed: 06/13/2018  
03/08/2017

## **310.0 - RENTAL FEES AND SERVICE CHARGES**

### **310.1 - District Facilities**

District facilities may be made available for community use on a rental basis when such is not in conflict with District needs and when the activity is compatible with the facility being requested. It is not intended that the School District compete with other privately owned space that may otherwise be available.

Rental fees and any fees collected for temporary use of school facilities will be deposited in the operating fund of the District and used for general purposes, except as the Board authorizes a particular use of the rental fee in a specific instance.

### **310.2 - District Equipment**

It is the policy of the Board to keep its equipment secured and maintained for the purposes for which it was purchased. District equipment will not be made available for the personal use of individuals either by loan or by rental. The use of District equipment in Community Education classes, or by patrons participating in other school programs, is permissible

Employees of School District 91 are expressly forbidden from loaning school equipment to themselves or others for off-campus use. This prohibition also extends to the loaning of an employee's assigned keys to others, including family members, for the purpose of gaining access to district buildings and equipment.

Use of district-owned equipment is specifically reserved for work on school projects. As such, it is permissible for teachers and others, with proper prior administrative approval, to use computers and other associated equipment off-campus while employed by the district including summer breaks, etc., in order to facilitate the employee's performance of school related work and/or further the employee's expertise in the use of such equipment. It is the sole responsibility of the employee using District equipment off-campus to reimburse the District for damage or loss, normal wear and tear excluded, unless the employee is on officially approved school business.

District-owned equipment shall be maintained and supported by authorized District employees or vendors authorized by District employees responsible for maintenance of such equipment. Any other person performing maintenance of District equipment will be held liable for damages to the equipment and/or lost time required to restore equipment to its original state.

#### **Policy History:**

Adopted: \_\_\_\_\_

Revised: 01/14/2003

Reviewed: 03/08/2017



**311.0 - FUND SECURITY**

**311.1 - Local Depositories**

All funds belonging to the school district shall be deposited in local banks and distributed as nearly as practical in accordance with the State Depository Statute.

**311.2 - Cash in School Buildings**

Accumulations of cash exceeding that amount absolutely necessary to transact business shall not remain overnight in school buildings. Daily deposits of cash should be made with minimal amounts of cash being kept in school vaults.

**Policy History:**

Adopted: \_\_\_\_\_

Revised: \_\_\_\_\_

Reviewed: 03/08/2017

### **312.0 - SCHOOL PROPERTIES DISPOSAL PROCEDURE**

When equipment, books, and materials become worn out, obsolete, surplus, or otherwise unusable in the schools, the Superintendent/designee may authorize their disposal in a manner to the District's best advantage, provided that the unit value of the item/items is not more than \$500. If values are in excess of those amounts, formal authorization for negotiated sale, or for putting the items to bid will be obtained from the Board.

#### Conveyance

Within one year prior to conveyance, all real and personal property with an estimated value of \$1,000 or greater shall be appraised, which appraisal shall be entered in the records of the Board.

**\$1,000 or Greater:** For property with a value of \$1,000 or greater, the property may be sold at public auction or by sealed bids, as the Board shall determine, to the highest bidder. Such property may be sold for cash or for such terms and conditions as the Board shall determine for a period not exceeding ten years, with the annual rate of interest on all deferred payments not less than 7% per annum. The title to all property sold on contract shall be retained in the name of the District until full payment has been made by the purchaser, and title to all property sold under a note and mortgage or deed of trust shall be transferred to the purchaser at the point of sale under the terms and conditions of the mortgage or deed of trust as the Board shall determine. Notice of the time and the conditions of such sale shall be published twice, and proof thereof made, in accordance with subsections (2) and (3) of section 33-402, Idaho Code. The Board may accept the highest bid, may reject any bid, or reject all bids. During the sealed bid or public auction process, no real property of the District can be sold for less than its appraised value. If, thereafter, no satisfactory bid is made and received, the Board may proceed under its own direction to sell and convey the property for the highest price the market will bear.

**Less than \$1,000:** The Board may sell personal property, with an estimated value of less than \$1,000, without appraisal, by sealed bid or at public auction, provided that there has been not less than one published advertisement prior to the sale of said property. When the appraised value of the property is less than \$1,000, one single notice by publication shall be sufficient, and the property shall be sold by sealed bids or at public auction. The Board may accept the highest bid, may reject any bid, or reject all bids.

**Less than \$500:** For property that has an estimated value of less than \$500, the property may be disposed of in the most cost-effective and expedient manner by an employee of the District empowered for that purpose by the Board, provided however, such employee shall notify the Board prior to disposal of said property.

### Donated Property

If real property was donated to the District the Board may, within a period of one year from the time of the appraisal, sell the property without additional advertising or bidding. Otherwise, the Board must have new appraisals made and again publish notice for bids, as with other property.

### Exchange of Property

The Board may exchange real or personal property for other property provided that:

1. One-half (1/2) plus one of the members of the full Board determines such conveyance or exchange is in the best interest of the District; and
2. A resolution is passed authorizing such exchange of real and/or personal property to any of the following with or without any consideration accruing to the school district:
  - A. U.S. government;
  - B. City;
  - C. County;
  - D. State of Idaho;
  - E. Hospital district;
  - F. School district;
  - G. Public charter school;
  - H. Idaho Housing and Finance Association;
  - I. Library district;
  - J. Community college district;
  - K. Junior college district; or
  - L. Recreation district.

Prior to any transfer or conveyance of any real or personal property as set forth above, the Board shall have the property appraised by an appraiser certified in the state of Idaho, which appraisal shall be entered in the records of the Board and shall be used to establish the value of the real or personal property. Provided however, if the Board finds it is in the District's best interests to trade personal property to a person or entity for like kind personal property, the Board may vote to elect to do so. The Board may elect to abstain from an appraisal of the personal property if the estimated value of such property is less than \$5,000.

**Equipment Acquired Under a Federal Award:** When it is determined that original or replacement equipment, as defined in Policy 7270, acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Superintendent or designee will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has

a current FMV of more than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

If acquiring replacement equipment, the District may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

The District will use whatever means available to ensure the highest possible return on any items sold.

Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity. Therefore, the District should request prior approval from the State Department of Education for the purchase or the disposition of equipment purchased with federal funds that have a value of \$5,000 or more.

If reasonable attempts to dispose of surplus properties fail to produce a monetary return to the District, the Superintendent is authorized to dispose of them in some other way that would be acceptable to good management practices.

Cross Reference:	2510P	Selection of Library Materials
Legal Reference:	2 CFR § 200.313(e) 2 CFR § 200.439(b)(2) I.C. § 33-402 I.C. § 33-601  I.C. § 67-2801, <i>et seq.</i> I.C. § 74-107(3)	Equipment. Disposal Equipment and Other Capital Expenditures Notice Requirements Real and Personal Property – Acquisition, Use or Disposal of Same Purchasing by Political Subdivisions Records Exempt from Disclosure – Appraisals

**Policy History:**

Adopted: \_\_\_\_\_

Revised: 10/09/2019  
02/26/2002

Reviewed: 09/11/2019  
03/08/2017

## **313.0 BOND**

### **313.1 – Bond Account**

#### **Creation, Purpose, and Maintenance of Bond Account**

Payment of principal and interest due on bonds shall be made by the District from an account (the “bond account”) established under the resolution(s) authorizing bonds (“bond resolution(s)”). As required by the bond resolution, the bond account shall be maintained separate and apart from any other accounts of the District. All bond tax receipts and bond levy subsidy payments, hereinafter defined, shall be credited to the bond account in a timely manner.

The bond account shall be monitored by the District’s Director of Finance or designee. Unless otherwise provided by District resolutions, agreements entered into in connection with the issuance of bonds, or any tax certificate with respect thereto, the Director of Finance shall maintain records and shall prepare regular, periodic statements regarding the investments, deposits, and disbursements involving funds held in the bond account.

#### Definitions

“Bond Guaranty Programs” mean collectively the programs of the State of Idaho pursuant to the Idaho School Bond Guaranty Act, Title 33, Chapter 53, Idaho Code, and the School District Bond Credit Enhancement Program under Title 57, Chapter 7, Idaho Code.

“Bond Levy Subsidy Payments” mean subsidy payments received by the District from the State of Idaho bond levy equalization fund under Sections 33-906, 33-906A, and 33-906B, Idaho Code or any successor provision.

“Bond Tax Receipts” mean funds derived from the District’s general obligation bond levy under the applicable Bond Resolution, levied, assessed, certified, extended, and collected by the District or on behalf of the District by the county or counties annually at the time when and in the manner in which other general taxes of the District are levied, upon all the taxable property within the limits of the District, in addition to all other authorized taxes and assessments in the amount specified by Sections 33-802 and 33-802A, Idaho Code.

“Investment Securities” means such investments as shall be legal investments for such funds under Idaho law as then in effect.

“Non-Bond Levy Revenues” mean revenues, including but not limited to, property tax revenues and operating levy property tax revenues, State funds in replacement of property tax revenues, sales tax revenue sharing funds, or other funds collected on the District’s behalf by the Counties and then disbursed to the District.

#### Deposit of Funds into Bond Account; Payment of Bonds

There shall be deposited into the applicable subaccount under the bond account in a timely manner upon receipt:

1. Bond tax receipts;
2. Bond levy subsidy payments; and
3. Such other funds as the District shall designate as irrevocably available to pay principal and interest on the applicable bonds.

These deposits shall be in amounts sufficient to meet the payments of principal and interest on bonds as the same mature, as provided in the applicable bond resolution. Non-bond levy revenues shall not be deposited into the bond account.

The District shall pay debt service on bonds from funds held in the bond account pursuant to the provisions of the applicable bond resolution, but nothing herein contained shall be construed to prevent the District from paying the interest on or the principal of bonds from any other funds in its hands and available for that purpose.

#### **Investment of Funds in Bond Account**

Moneys held in the bond account and subaccounts thereunder shall be invested and reinvested by the District to the fullest extent practicable in investment securities which mature not later than such times as shall be necessary to provide moneys when needed for payment of debt service on bonds. All investment earnings shall be retained in the bond account.

For purposes of investment of funds in the bond account, the District may consider earnings on funds held in the bond account which are not expected to be used to pay principal and interest on bonds to be held for the purpose of paying principal and interest on other bonds issued or to be issued by the District or to be used for any lawful purpose of the District.

#### **State Guaranty Programs**

In the event bonds are guaranteed by the Bond Guaranty Programs, and pursuant to the applicable bond resolution, the District shall transfer moneys from the bond account to the paying agent sufficient for the scheduled debt service payment on the bonds at least 15 days before each principal or interest payment date for the bonds, pursuant to the provisions of the applicable bond resolution.

#### **Use of Funds in Bond Account**

The District shall use the funds held in the bond account for the timely payment of principal (including any redemption premium) and interest on the District's bonds, and related expenses, and for no other purposes. Upon payment in full of the bonds, remaining funds in the bond account may be applied by the District in the manner provided by law.

Legal Reference:	Title 33 Chapter 53	Idaho School Bond Guaranty Act
I.C. § 33-802 et. seq.	Budget and Tax Levy	
I.C. § 33-906 et. seq.	School Funds	
I.C. § 57-728	Credit Enhancement Program for School District Bonds	

Policy History:

Adopted: 08/15/2018

Revised: 07/18/2018

Reviewed: 06/13/2018

### **313.2 - Bond Continuing Disclosure and Certification Requirements**

#### **Designation of Administrator**

The District hereby designates the Director of Finance (the “Administrator”) to have the primary responsibility to ensure compliance with the applicable securities laws and rules relating to issued bonds. The Administrator shall review these procedures annually. The Administrator will consult with Bond Counsel and/or the District’s legal counsel and advisors, as necessary, to ensure that the District complies with the Bond Disclosure Agreement. This will include, without limitation, consultation in connection with any potential changes in ratings of the bonds or changes in finances or operations of the District.

The Administrator will actively participate in the preparation of all primary disclosure materials. The Administrator will review and prepare all post-issuance disclosure materials, including, without limitation, the materials for the District’s financial statements and the information described in the Required Annual Filings, and events required to be disclosed under the rule known as the Material Event Filings, and any other voluntary or required disclosure to the market.

The Administrator will review all primary and post-issuance disclosure materials and consult with all officers, employees, directors, agents, and officials of the District as necessary to ensure that such materials do not contain materially false information or omit material information that investors would want to know in making an informed investment decision about the bonds.

The Administrator will also obtain appropriate training in the issuance of municipal bonds, securities law disclosure, proficiency in the use of Electronic Municipal Market Access (EMMA), and update such training on an annual basis or as new developments arise.

### **Duties of the Administrator**

Upon the issuance of any bonds, or annually in the absence of such issuance, the Administrator shall update Required Annual Filings to reflect the requirements of the Disclosure Agreements of the District and the requirements thereof.

Within the time specified under each Disclosure Agreement, the Administrator will submit, or cause to be submitted through a disclosure agent if one has been appointed, the District's Required Annual Filing to the Municipal Securities Rulemaking Board (MSRB) via EMMA.

Not more than five days after the submission of the Required Annual Filing to the MRSB, the Administrator shall provide to the Superintendent and the Board of Trustees written confirmation that the Annual Required Filing has been submitted and filed properly with the MSRB through EMMA. The Administrator shall independently verify by access to EMMA that the Required Annual Filing has been filed and properly appears on EMMA.

In the event that the Required Annual Filing is not completed in time to submit the Required Annual Filing to the MRSB through EMMA within the time specified, the Administrator will file a notice of occurrence of such event in accordance with the policy and procedures set forth below under "Reporting of Events," and in accordance with the Rule, and submit the Required Annual Filing as soon as it is available.

### **Reporting of Events**

The Administrator will make, or cause to be made through a disclosure agent if one has been appointed, all required Material Event Filings via EMMA consistent with the requirements of the Rule.

The occurrence of certain events, including payment defaults, requires a Material Event Filing without the need for a materiality determination (*i.e.* they are deemed material under the rule). These include:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security. **[Note: A routine IRS audit is reportable because it could lead to an adverse tax opinion.]**



6. Defeasances;
7. Rating changes;
8. Bankruptcy, insolvency, receivership, or similar event of the obligated person;
9. Other events, such as non-payment related defaults, must be analyzed to determine if the event is material and if so, a Material Event Filing is required. The Administrator will consult with Bond Counsel regarding any questions as to whether an event has occurred and what filings are required. These include:
  - A. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
  - B. Nonpayment-related defaults, if material.
  - C. Modifications to rights of security holders, if material.
  - D. Bond calls, if material, and tender offers.
  - E. Release, substitution or sale of property securing repayment of the securities, if material.
  - F. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Administrator shall establish appropriate procedures within the District such that officers and employees of the District who have access to material information of the kind that would be required to be disclosed under a Material Event Filing are aware of the requirements of the Disclosure Agreement, and that such officers and employees will report such events to the Administrator in a timely manner. As soon as the Administrator learns of the occurrence of an event that is either deemed material or that knowledge of such an event would be material under applicable securities law, the Administrator will prepare and file, or cause to be filed, in a timely manner not in excess of ten business days of the occurrence, a Material Event Filing via EMMA.

Not more than five days after the submission of a Material Event Filing to the MRSB, the Administrator shall independently verify by access to EMMA that the Material Event Filing has been filed and properly appears on EMMA.

Nothing in a Disclosure Agreement prevents the District from making a voluntary filing with the MSRB of other material information in addition to the events that give rise to a Material Event Filing under the rule and the Disclosure Agreement.

#### **Failure to File**

In the event the Administrator fails to make any Required Annual Filing or Material Event Filing, the Administrator shall immediately notify the officer of

the District to whom the Administrator reports of such failure to file and will cooperate fully to consider whether the District should engage a Disclosure Agent if one has not already been engaged, or take other action to ensure future filings are made on a timely basis.

**Correspondence from Securities and Exchange Commission (SEC)**

Upon receipt of any correspondence from the SEC, the Administrator will immediately notify the District, provide the District with a copy of such correspondence, and develop a plan of action to respond to the SEC inquiry.

**Record-Keeping Requirements**

Unless otherwise specified in applicable District resolutions or tax certificates, the District shall maintain the following documents for the term of each issue of bonds (including refunding bonds, if any) plus at least an additional three years:

- A. A copy of the bond closing transcript(s) and other relevant documentation delivered to the District at or in connection with closing of the issue of bonds;
- B. A copy of all material documents relating to capital expenditures financed or refinanced by bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with bond proceeds, and records identifying the assets or portion of assets that are financed or refinanced with bond proceeds;
- C. A copy of all contracts and arrangements involving private use of bond-financed assets or for the private use of output or throughput of bond-financed assets; and
- D. Copies of all records of investments, investment agreements, arbitrage reports, and underlying documents, including trustee statements.

Legal Reference: Municipal Securities Rulemaking Board Rule Book (Updated October 1,2016)  
<http://www.msrb.org/msrb1/pdfs/MSRB-Rule-Book-PDF-Current-Quarter.pdf>

Policy History:

Adopted: 08/15/2018

Revised: 07/18/2018

Reviewed: 06/13/2018

END OF SECTION 300