

## Business Procedures

### Series 800

#### **Policy Title: BUDGET PLANNING**

**Code No. 801**

Prior to certification of the budget, the board will review the projected revenues and expenditures for the school district and make adjustments where necessary to carry out the education program within the revenues projected.

A budget for the school district is prepared annually for the board's review. The budget will include the following:

- the amount of revenues to be raised by taxation;
- the amount of revenues from sources other than taxation;
- an itemization of the amount to be spent in each fund; and,
- a comparison of the amount spent and revenue received in each fund for like purposes in the two prior fiscal years.

It is the responsibility of the Board Secretary and the Superintendent to prepare the budget for review by the board prior to the April 15 deadline each year.

Prior to the adoption of the proposed budget by the board, the public is apprised of the proposed budget for the school district. Prior to the adoption of the proposed budget by the board, members of the school district community will have an opportunity to review and comment on the proposed budget. A public hearing for the proposed budget of the board is held each year in sufficient time to file the adopted budget no later than April 15.

The proposed budget filed by the board with the board secretary and the time and place for the public hearing on the proposed budget is published in a newspaper designated for official publication in the school district. It is the responsibility of the board secretary to publish the proposed budget and public hearing information at least 10 but no more than 20 days prior to the public hearing.

The board will adopt and certify a budget for the operation of the school district to the county auditor by April 15. It is the responsibility of the board secretary to file the adopted and certified budget with the county auditor and other proper authorities.

The board may amend the budget for the fiscal year in the event of unforeseen circumstances. The amendment procedures will follow the procedures for public review and adoption of the original budget by the board outlined in these policies.

*Page -2- Code No. 801*

It is the responsibility of the superintendent and the board secretary to bring any budget amendments necessary to the attention of the board to allow sufficient time to file the amendment with the county auditor no later than May 31 of each year.

Legal Reference: Iowa Code §§ 24; 257; 279.8; 297; 298; 618 (2013).

**Date of Approval:**

June 27, 2016

Business Procedures

Series 800

**Policy Title: TRANSFER OF FUNDS**

**Code No. 801.1**

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

It is the responsibility of the board secretary to make recommendations to the board regarding transfers and to provide the documentation justifying the transfer.

**Date of Adoption:**

July 1, 1985

**Legal Reference:**

(Code of Iowa)  
Chapter 24.21

**Revised & Reviewed:**

June 5, 1995  
February 7, 2005  
January 18, 2010  
June 27, 2016

Business Procedures

Series 800

**Policy Title: FINANCIAL ACCOUNTING SYSTEM**

**Code No. 801.2**

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

- General fund
- Management levy fund
- Physical plant and equipment levy fund
- Public education and recreation levy fund
- Student activity fund
- Capital projects fund
- Debt service fund
- Enterprise fund
- Expendable trust funds
- Nonexpendable trust funds
- Agency funds
- Pension trust funds
- School Nutrition
- General Capital Assets Account group
- General long –term debt account group
- Child care fund
- Internal serve fund

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

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

It is the responsibility of the superintendent to implement this policy and bring necessary changes in the maintenance of the school district's financial records to the attention of the board.

*Note: The list of funds above does not include the "Schoolhouse tax levy fund." For school district still levying the 671/2 cent levy, this fund must be added to its policy until the procedures have been expended for the purpose approved by the voters. The list of funds above also does not include the "Library levy fund," which is only available to one school district. The school district eligible to levy the library levy must add this fund to its policy. GAAP makes references in the*

*school district's policy manual to the "schoolhouse fund" obsolete. Each reference to this term should be reviewed and replaced with the proper GASP fund/account. References to the term "general fund" should also be reviewed to ensure it is properly used in the policies.*

Legal Reference: Iowa Code §§ 11.23; 298A (2013).

**Date of Adoption:**

June 27, 2016

## Business Procedures

### Series 800

**Policy Title: LOCAL-STATE-FEDERAL-MISCELLANEOUS REVENUE**

**Code No. 802.1**

Revenues of the school district are received by the board treasurer. Other persons receiving revenues on behalf of the school district will promptly turn them over to the board treasurer.

Revenue, from whatever source, is accounted for and classified under the official accounting system of the school district. It is the responsibility of the board treasurer to deposit the revenues received by the school district in a timely manner. School district funds from all sources will not be used for private gain or political purposes.

Tuition fees received by the school district are deposited in the general fund. The tuition fees for Preschool through twelfth grade during the regular academic school year are set by the board based upon the superintendent's recommendation in compliance with current law. Tuition fees for summer school, driver's education and adult education are set by the board prior to the offering of the programs.

The board may charge materials fees for the use or purchase of educational materials. Materials fees received by the school district are deposited in the general fund. It is the responsibility of the superintendent to recommend to the board when materials fees will be charged and the amount of the materials fees.

Rental fees received by the school district for the rental of school district equipment or facilities are deposited in the general fund. It is the responsibility of the superintendent to recommend to the board a fee schedule for renting school district property.

Proceeds from the sale of real property are placed in the physical plant and equipment levy (PPEL) fund. The proceeds from the sale of other school district property are placed in the general fund.

The board may claim exemption from the law prohibiting competition with private enterprise for the following activities:

- Goods and services directly and reasonably related to the educational mission;
- Goods and services offered only to students, employees or guests which cannot be provided by private enterprise at the same or lower cost;
- Use of vehicles for charter trips offered to the public, full- or part-time, or temporary students;
- Goods and services which are not otherwise available in the quantity or quality required by the school district;
- Telecommunications other than radio or television stations;
- Sponsoring or providing facilities for fitness and recreation;
- Food service and sales; and,
- Sale of books, records, tapes, software, educational equipment, and supplies.

It is the responsibility of the superintendent to bring to the board's attention additional sources of revenue for the school district.

**Legal Reference:** Iowa Code §§ 12C; 23A; 257.2; 279.8; 282.2, .6, .24; 291.12, 297.9-.12, .22; 301.1 (2007).

**Date of Approval:**

July 1, 1985

**Reviewed & Revised:**

July 1, 1996

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: EDUCATIONAL MATERIAL FEES**

**Code No. 802.2**

The Superintendent of Schools or his/her designated officer shall set up the necessary regulations to administer the sale of educational supplies and materials to students of the school. These regulations shall include the methods used to determine the selling prices of the items to be sold. The Board of Education shall officially adopt the regulations governing the sale of supplies and materials.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

February 21, 2000

February 7, 2005

January 18, 2010

June 27, 2016



## Business Procedures

Series 800

**Policy Title: USE OF SCHOOL PROPERTY AND EQUIPMENT**

**Code No. 802.3**

The Superintendent of Schools shall establish the necessary regulations governing the use of the school buildings and/or its equipment by outside groups. These regulations shall be consistent with the laws of the State of Iowa. The Superintendent shall also set up a schedule of compensation for the use of the school buildings and/or its equipment. These regulations shall be submitted to the Board of Education for final approval.

Any organized group in the Colfax-Mingo Community School District that is not school sponsored shall be limited in the use of the school buildings.

Student groups are not to use the buildings on Wednesday evening or on Sunday unless authorization is given by the administration. This does not pertain to an outside agency.

No equipment is to be removed from the properties without permission of the Superintendent. Any loss or damage is the responsibility of the borrower.

When the kitchen facilities are to be used, a member of the school lunch staff shall be in attendance to supervise operation of equipment etc. The organization renting the facilities shall be responsible for payment of wages to lunch staff personnel for the hours they are required to be in attendance. Cooks' wages shall be paid by all organizations regardless of affiliation. The above charges shall not apply to: any group that qualifies as an adult education project through the school administration or other school associated entities; and any community organization whose only purpose is the improvement and betterment of the community and whose membership is open to all residents of the district, regardless of race, color, creed religion, age, socio-economic status, marital status, national origin, sexual orientation, gender identity, disability, or sex.

### **Rentals:**

The renting of school buildings and school property shall be at the discretion of the Board, but shall follow these general provisions:

- a. School activities must always take precedence. Next in order are community events. Commercial groups are last.
- b. No rental will be charged when the proceeds go to the school without profit to any individual or non-school sponsoring group or meetings where the chief purpose is improvement of instruction on a school program of the city or state. Such groups will be responsible for paying a custodial fee.

- c. All concession rights at all times are retained by the school/Boosters.
- d. All arrangements by outside-of-school agencies are to be made through the office of the Building Principal.
- e. All payments for the use of buildings or facilities are to be made to the Colfax-Mingo Community School district.
- f. The school facilities are available to religious or sectarian groups if two or more district local organizations (such as Baccalaureate) are sponsoring the event or by special permission of the Board.
- g. Any organization of a non-commercial nature, not using the building for gain or profit and having general admission to all persons without charge is exempted from paying fees for the use of the building or utilities, but is responsible for the building and for paying the necessary custodial fee.
- h. When rental fees are charged they shall be paid in advance as follows:
  - 1. High School Gymnasium \$50.00 per night
  - 2. Elementary School Gymnasium \$40.00 per night
  - 3. Elementary & High School Cafeteria \$50.00 plus  
\$10.00 for use of kitchen per event with a regular cook, wages to be paid by lessee
  - 4. Classrooms \$25.00
  - 5. Custodians \$20.00 for each event  
scheduled in #1 and #2
- i. Approved chaperones must be on duty when a group uses the school gym for a dance.

**Date of Adoption:**

December 21, 1987

**Reviewed & Revised:**

November 15, 1993

April 6, 1998

February 7, 2005

January 18, 2010

June 27, 2016

**REQUEST FOR USE OF SCHOOL FACILITY  
COLFAX-MINGO COMMUNITY SCHOOLS  
Colfax, Iowa – Mingo, Iowa**

Date of Request \_\_\_\_\_

Organization requesting use of facility \_\_\_\_\_  
Date requested for facility \_\_\_\_\_ Time beginning \_\_\_\_\_ Ending \_\_\_\_\_  
Facility requested \_\_\_\_\_  
Purpose for which facility will be used \_\_\_\_\_ Telephone \_\_\_\_\_  
Person filing request \_\_\_\_\_ Telephone \_\_\_\_\_  
Adult responsible or in charge of group \_\_\_\_\_  
Fee assessed \_\_\_\_\_ Custodial charge \_\_\_\_\_

**Assumption of Liability and Indemnification:** The Organization assumes any liability arising from its use of District property and states that it shall defend and hold the District harmless from any and all damages and claims that may arise by reason of negligence on the part of the Organization or the District, and its officers, employees and agents, in the use by the Organization of any property. If any action is brought against the District or any of its officers, employees or agents regarding the organization's use of the property, the District reserves the right to defend such actions and to charge the costs of such defense, including attorney's fees, to the Organization. As a condition to using the District's property, the Organization shall require participants to sign a waiver releasing the Organization and District of any liability arising from damages for personal injury and/or claims for property damage.

**Insurance:** The Organization agrees to furnish upon request and maintain during the terms of this Agreement such bodily injury and property liability insurance as is necessary to protect and defend the Organization and the District from claims for damages for personal injury, including accidental death, and for claims for property damage, which may arise from the Organization's use of the Property, whether such operation be by the Organization or by anyone employed by or otherwise acting, either directly or indirectly, on the Organization's behalf. The organization shall furnish the District with certified proof of such insurance as a precondition to signing this Agreement and a copy of such proof of insurance shall be attached to this Agreement.

**ORGANIZATION**

**COLFAX-MINGO COMMUNITY SCHOOL DISTRICT**

By \_\_\_\_\_ \*  
Title \_\_\_\_\_  
Date \_\_\_\_\_

By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

*\*The representative of the Organization has received and read a copy of CMCSO Board Policy #1004.1 and agrees to comply with the provisions of said policy.*

June 27, 2016

Business Procedures

Series 800

**Policy Title: SALE OF BONDS**

**Code No. 802.4**

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

Revenues received from the issuing of bonded indebtedness are deposited into the capital projects fund.

**Legal Reference:** Iowa Code §§74-76; 278.1; 298; 298A (2007)

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

October 3, 1994

May 4, 1998

February 7, 2005

January 18, 2010

June 27, 2016

## Business Procedures

### Series 800

**Policy Title: POST-ISSUANCE COMPLIANCE REGULATION FOR TAX-EXEMPT OBLIGATIONS**  
**Code No. 802.5**

1. Role of Compliance Coordinator/Board Treasurer

The board treasurer shall:

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

2. Financing Transcripts' Filing and Retention

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

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

3. Proper Use of Proceeds

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

- a) Obtain a computation of the yield on such issue from the school district's financial advisor;
- b) Create a separate Project Fund (with as many sub-funds as shall be necessary to allocate proceeds among the projects being funded by the issue) into which the proceeds of issue shall be deposited;
- c) Review all requisitions, draw schedules, draw requests, invoices and bills requesting payment from the Project Fund;
- d) Determine whether payment from the Project Fund is appropriate and, if so, make payment from the Project Fund (and appropriate sub-fund, if applicable);
- e) Maintain records of the payment requests and corresponding records showing payment;
- f) Maintain records showing the earnings on, and investment of, the Project Fund;
- g) Ensure that all investments acquired with proceeds are purchased at fair market value;
  
- h) Identify bond proceeds or applicable debt service allocations that must be invested with a yield-restriction and monitor the investments of any yield-restricted funds to ensure that the yield on such investments do not exceed the yield to which such investments are restricted;
- i) Maintain records related to any investment contracts, credit enhancement transactions and the bidding of financial products related to the proceeds.

#### 4. Timely Expenditure and Arbitrage/Rebate Compliance

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

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

2. Arrange for timely computation and payment of yield reduction payments (as such term is defined in the Code and Treasury Regulations), if applicable.

5. Proper Use of Bond Financed Assets

The board treasurer shall:

- a) Maintain appropriate records and a list of all bond financed assets. Such records shall include the actual amount of proceeds (including investment earnings) spent on each of the bond financed assets;
- b) Monitor and confer with bond counsel with respect to all proposed bond financed assets;
  1. management contracts;
  2. service agreements;
  3. research contracts;
  4. naming rights contracts;
  5. leases or sub-leases;
  6. joint venture, limited liability or partnership arrangements;
  7. sale of property; or
  8. any other change in use of such asset.
- c) Maintain a copy of the proposed agreement, contract, lease or arrangement, together with the response by bond counsel with respect to said proposal for at least three years after retirement of all tax-exempt obligations issued to fund all or any portion of bond financed assets; and
- d) Contact bond counsel and ensure timely remedial action under IRS Regulation Sections 1.141-12 in the event the school district takes an action with respect to a bond financed asset, which causes the private business tests or private loan financing test to be met.

6. General Project Records

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

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

## 7. Advance Refundings

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

- a) Identify and select bonds to be advance refunded with advice from internal financial personnel and a financial advisor;
- b) Identify, with advice from the financial advisor and bond counsel, any possible federal tax compliance issues prior to structuring any advance refunding;
- c) Review the structure with the input of the financial advisor and bond counsel, of advance refunding issues prior to the issuance to ensure;
  - (1) that the proposed refunding is permitted pursuant to applicable federal tax requirements if there has been a prior refunding of the original bond issue;
  - (2) that the proposed issuance complies with federal income tax requirements which might impose restrictions on the redemption date of the refunded bonds;
  - (3) that the proposed issuance complies with federal income tax requirements which allow for the proceeds and replacement proceeds of an issue to be invested temporarily in higher yielding investments without causing the advance refunding bonds to become "arbitrage bonds"; and
  - (4) that the proposed issuance will not result in the issuer's exploitation of the difference between tax exempt and taxable interest rates to obtain a financial advantage nor overburden the tax exempt market in a way that might be considered an abusive transaction for federal tax purposes;
- d) Collect and review data related to arbitrage yield restriction and rebate requirements for advance refunding bonds. To ensure such compliance, the board treasurer shall engage a rebate consultant to prepare a verification report in connection with the advance refunding issuance. Said report shall ensure said requirements are satisfied;
- e) Whenever possible, purchase State and Local Government Series (SLGS) to size each advance refunding escrow. The financial advisor shall be included in the process of subscribing SLGS. To the extent SLGS are not available for purchase, the Board treasurer shall, in consultation with bond counsel and the financial advisor, comply with IRS regulations;
- f) Ensure, after input from bond counsel, compliance with any bidding requirements set forth by the IRS regulations to the extent as issuer elects to the purchase of a guaranteed investment contract;
- g) In determining the issue price for any advance refunding issuance, obtain and retain issue price certification by the purchasing underwriter at closing;



- h) After the issuance of an advance refunding issue, ensure timely identification of violations of any federal tax requirements and engage bond counsel in attempt to remediate same in accordance with IRS regulations.

## 8. Continuing Disclosure

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

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

Legal Reference: Iowa Code §§ 257.31(4); 279.8; 297.22-.25; 298A (2013)  
<http://www.irs.gov/taxexemptbond/article/0,,id=243503,00.html>

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

October 3, 1994

May 4, 1998

February 7, 2005

January 18, 2010

June 27, 2016

## Business Procedures

### Series 800

#### **Policy Title: INVESTMENTS**

**Code No. 802.6**

School district funds in excess of current needs are invested in compliance with this policy. The goals of the school district's investment portfolio in order of priority are:

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

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

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

The board authorizes the treasurer to invest funds in excess of current needs in the following investments.

- Interest bearing savings, money market, and checking accounts at the school district's authorized depositories;
- Iowa Schools Joint Investment Trust Program (ISJIT);
- Obligations of the United States government, its agencies and instrumentalities;
- Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions;
- Repurchase agreements in which underlying collateral consists of investments in government securities. The school district must take delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;
- Prime bankers' acceptances that mature within two hundred seventy days and that are eligible for purchase by a federal reserve bank. At the time of purchase no more than ten percent of the investment portfolio can be in these investments and no more than five percent of the investment portfolio can be invested in the securities of a single issuer;

- Commercial paper or other short-term corporate debt that matures within two hundred seventy days and that is rated within the two highest classifications, as established by at least one of the standard rating services, with no more than five percent at the time of purchase placed in the second highest classification. At the time of purchase no more than ten percent of the investment portfolio can be in these investments and no more than five percent of the investment portfolio can be invested in the securities of a single issuer; and,
- An open-end management investment company registered with the federal securities exchange commission and commonly referred to as a money market mutual fund. The money market mutual fund will use only the investments individually authorized by law for school districts.

It is the responsibility of the treasurer to oversee the investment portfolio in compliance with this policy and the law.

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

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

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

It will also be the responsibility of the superintendent, in conjunction with the treasurer, to develop a system of investment practices and internal controls over the investment practices. The investment practices are designed to prevent losses, to document the officers' and

employees' responsibility for elements of the investment process and address the capability of the management.

Legal Reference: Iowa Code §§ 11.2, .6; 12.62; 12B.10; 12C; 22.1, .14; 28E.2; 257; 279.29; 283A; 285; 502.701; 633.123 (2013).

**Date of Adoption:**

July 1, 1985

**Reviewed and Revised:**

September 3, 1991

November 16, 1992

February 13, 1995

May 4, 1998

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: GIFTS, GRANTS, AND BEQUESTS**

**Code No. 802.7**

The Board believes gifts, grants, and bequests to the school district may be accepted when they will further the interests of the school district. The Board will have sole authority to determine whether the gift furthers the interests of the school district.

Gifts, grants, and bequests are approved by the Board. Once it has been approved by board action, a board member or the Superintendent may accept the gift on behalf of the school district.

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

**Date of Adoption:**

July 1, 1985

**Legal Reference:**

Code of Iowa

**Chapter 279.42,**

565.6 (2003)

**Reviewed & Revised:**

July 1, 1996

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: DEPOSITORY OF FUNDS**

**Code No. 802.8**

Each year at its annual meeting, the Board shall designate by resolution the name and location of the Iowa located financial depository institution or institutions to serve as the official school district depository or depositories. The maximum deposit amount to be kept in the depository shall be stated in the resolution. The amount stated in the resolution must be for all depositories and include all of the school district's funds.

It is the responsibility of the board secretary to include the resolution in the minutes of the meeting.

**Date of Adoption:**

July 1, 1985

**Legal Reference:**

Code of Iowa  
12C; 279.33 (1995)

**Reviewed & Revised**

July 1, 1996

May 4, 1998

February 5, 2005

January 18, 2010

June 27, 2016

## Business Procedures

Series 800

**Policy Title: FINANCIAL RECORDS**

**Code No. 802.9**

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

- General Fund
- Management levy fund
- Physical plant and equipment levy fund
- Public education and recreation levy fund
- Student activity fund
- Capital projects fund
- Debt service fund
- Enterprise fund
- Expendable trust funds
- Nonexpendable trust funds
- Agency funds
- Pension trust funds
- School Nutrition
- General Capital Assets
- General Long Term Debt account

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

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

It is the responsibility of the superintendent to implement this policy and bring necessary changes in the maintenance of the school district's financial records to the attention of the board.

**Date of Approval:**

June 27, 2016

Legal Reference: Iowa Code §§ 11.23; 298A (2013).



## Business Procedures

### Series 800

**Policy Title: PURCHASING POLICY**

**Code No. 803.1**

The Board supports economic development in Iowa. Purchases by the school district will be made in Iowa for Iowa goods and services from a locally-owned business located within the school district or from an Iowa-based company which offers these goods or services if the cost and other considerations are relatively equal and they meet the required specifications.

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

The superintendent shall have the authority to authorize purchases [see 803.2 Purchase Order] without competitive bids for goods and services costing under \$10,000 without prior board approval. For goods and services costing more than \$10,000 and less than \$30,000, the superintendent shall receive quotes of the goods and services to be purchased prior to approval of the board. Competitive sealed bids are required for purchases, other than emergency purchases, for goods and services that cost more than \$30,000 including construction contracts and school buses.

**Date of Adoption:**

July 1, 1996

**Reviewed & Revised:**

February 7, 2005

January 18, 2010

September 19, 2011

June 20, 2016

September 19, 2011

June 27, 2016

## Business Procedures

### Series 800

**Policy Title: PURCHASE ORDER**

**Code No. 803.2**

The purchase of all supplies, equipment, and services shall be initiated by the issuance of an official purchase order signed by the superintendent of schools, the building administrator, program director by the board secretary. Only those supplies, equipment, and services provided through formal contract shall be exempt.

All personnel must obtain an approved purchase orders prior to any purchase. The purchase orders are to be secured from the building administrator. Request for purchase should first be made to the administrator who will authorize the purchase by signing a purchase order. The completed purchase order should then be forwarded to the Central Administrative Services Office for final approval.

Upon receipt of the ordered merchandise and/or services, notification shall be forwarded to the accounts payable department showing all items have been received and accepted. Purchase orders must be attached to the invoice for payment authorization. Invoices not accompanied by a purchase order will delay payment and possibly be denied payment by the District, thereby leaving the staff member responsible for payment.

Activity purchase orders are to be used for purchase of materials from accounts in the activity fund. The superintendent, building principals, and/or the activity director will have final approval on these purchase orders.

The food service director shall authorize purchases for the nutrition program. All invoices for payment of food and supplies shall be submitted to the accounts payable department with the director's signature. Any purchases for additional items other than the daily kitchen needs, shall be obtained using the approved purchase order process above described.

In addition to using a purchase order, the Board Policy Code 803.1-Purchasing Policy and 803.4 Payment for Goods and Services, must be adhered to when completing the purchase of any school item.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

July 1, 1996

January 25, 2000

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: RECEIVING SUPPLIES & EQUIPMENT**

**Code No. 803.3**

Whenever physically possible, all supplies and equipment purchased in the name of the School District will be checked in and cleared through the accounting department. Whenever this procedure is impossible and/or impractical, the school personnel receiving such equipment, supplies, and services shall verify to the accounting department that such has been delivered.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

July 1, 1996

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: PAYMENT FOR GOODS & SERVICES**

**Code No. 803.4**

The board authorizes the issuance payment of claims against the school district for goods and services. The board will allow the payment after the goods and services have been received and accepted in compliance with board policy.

The board authorizes the board secretary, upon approval of the superintendent, to issue payment for verified bills, for reasonable and necessary expenses, when the board is not in session. The board secretary will examine the claims and verify bills. The board will approve the bills at its next regular meeting.

The secretary will determine to the secretary's satisfaction that the claims presented to the board are in order and are legitimate expenses of the school district. It is the responsibility of the secretary to bring claims to the board.

The board president and board secretary may sign warrants by use of a signature plate or rubber stamp. If the board president is unavailable to personally sign warrants, the vice president may sign warrants on behalf of the president.

It is the responsibility of the superintendent to develop the administrative regulations regarding this policy.

Legal Reference:        Love v. City of Des Moines, 210 Iowa 90, 230 N.W. 373 (1930).  
Iowa Code §§ 279.8, .29, .30, .36; 291.12; 721.2(5) (2013).  
281 I.A.C. 12.3(1).  
1980 Op. Att'y Gen. 102, 160, 720.  
1976 Op. Att'y Gen. 69.  
1972 Op. Att'y Gen. 130, 180, 392, 456, 651.  
1936 Op. Att'y Gen. 375.

**Date of Adoption:**

July 1, 1985

**Legal Reference:**

Iowa Constitution, Art. III  
Iowa Code 279.8, .29,  
.30, .36, 291.12, 721.2(5)

**Reviewed & Revised:**

June 20, 1994  
February 7, 2005  
January 18, 2010  
June 27, 2016

Business Procedures

Series 800

**Policy Title: UNPAID WARRANTS**

**Code No. 803.5**

The Board of Directors shall only in the case of absolute necessity issue warrants for which there are no funds available for the payment of such warrants. If warrants are issued for which there are no funds available for payment of such warrants, the Treasurer shall institute such procedures as stated in the Code of Iowa, Chapter 74, Sections 1-7 for the payment of said warrants.

**Date of Adoption:**

July 1, 1985

July 1, 1985

**Legal Reference:**

(Code of Iowa )

Chapter 74.1 - 74.7

**Reviewed & Revised:**

September 3, 1991

June 30, 1997

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: PAYROLL PERIODS**

**Code No. 803.6**

The payroll period for the school district is monthly. Employees are paid bi-weekly. If this day is a holiday, recess, or weekend, the payroll is paid on the last working day prior to the holiday, recess or weekend.

It is the responsibility of the board secretary to issue payroll to employees in compliance with this policy.

The requirements stated in the Master Contract between employees in a certified collective bargaining unit and the AFSCME Master Contract relating to the non-certified unit and the board regarding payroll periods of such employees will be followed.

**Date of Adoption:**

June 27, 2016

Business Procedures

Series 800

**Policy Title: PAYROLL DEDUCTIONS**

**Code No. 803.7**

Ease of administration is the primary consideration for payroll deductions, other than those required by law. Payroll deductions are made for federal income tax withholdings, Iowa income tax withholdings, social security, and the Iowa Public Employees' Retirement System (IPERS).

Employees may elect to have payments withheld for professional dues, district-related and mutually agreed upon group insurance coverage, and/or tax sheltered annuity programs. Requests for these deductions will be made in writing to the superintendent.

It is the responsibility of the superintendent to determine which additional payroll deductions will be allowed.

The requirements stated in the Master Contract between employees in a certified collective bargaining unit and the AFSCME Master Contract relating to the non-certified unit and the board regarding payroll periods of such employees will be followed.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

August 4, 1997

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: TRAVEL ALLOWANCE**

**Code No. 803.8**

All personnel of the School District shall be reimbursed for travel expenses incurred for travel authorized by the Superintendent of Schools and/or for travel incurred under the policies of the Board of Directors. Employees required to use their own automobile for such travel shall be reimbursed at the rate of **forty cents [40c] per mile**.

- Whenever possible, use school vehicle.
- Employer shall have the authority to make the determination that employee use a school vehicle.
- Transportation request forms required for prior approval of travel event.

All administrative personnel may be reimbursed for any travel from their homes to meetings while in the performances of their assigned duties. This does not include travel to and from work and home.

All other personnel may be reimbursed for any approved travel. This does not include travel to and from work and home.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

January 5, 1998

February 7, 2005

July 13, 2009

January 18, 2010

June 27, 2016



Business Procedures

Series 800

**Policy Title: SPECIAL ASSESSMENTS**

**Code No. 803.9**

The Board of Directors, when it is deemed necessary, shall seek the advice of their attorney in all cases of special assessments against the School District. The recommendations of the attorney shall be given due consideration as it relates to the recommended action of the Board of Directors in any special assessment case.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

June 30, 1997

February 7, 2005

January 18, 2010

June 27, 2016

## Business Procedures

### Series 800

**Policy Title: CREDIT CARDS**

**Code No. 803.10**

Employees may use school district credit cards for the actual and necessary expenses incurred in the performance of work-related duties. Actual and necessary expenses incurred in the performance of work-related duties include, but are not limited to, fuel for school district transportation vehicles used for transporting students to and from school and for school-sponsored events, payment of claims related to professional development of the board and employees, and other expenses required by employees and the board in the performance of their duties.

Employees and officer using a school district credit card must submit a detailed receipt in addition to a credit card receipt indicating the date, purpose and nature of the expense for each claim item. Failure to provide a proper receipt will make the expense a personal expense. Personal expenses shall be reimbursed to the school district no later than ten (10) working days following use of the school district's credit card. In exceptional circumstances, the superintendent or board may allow a claim without proper receipt. Written documentation explaining the exceptional circumstances shall be maintained as part of the school district's record of the claim. School staff using the credit card must initiate a purchase order per the process outlined in Policy 803.2.

The school district may maintain a school district credit card for actual and necessary expenses incurred by employees and officers in the performance of their duties. The superintendent may maintain a school district credit card for actual and necessary expenses incurred in the performance of the superintendent's duties. The transportation director may maintain a school district credit card for fueling school district transportation vehicles in accordance with board policy.

It shall be the responsibility of the superintendent to determine whether the school district credit card use is for appropriate school business. It shall be the responsibility of the board to determine through the audit and approval process of the board whether the school district credit card use by the superintendent and the board is for appropriate school business.

The superintendent shall be responsible for developing administrative regulations regarding actual and necessary expenses and use of a school district credit card.

[The district's credit card will be kept secure in the District Office by the School Business Official when not in use.](#)

**Date of Adoption:**  
May 16, 1994

**Legal References:** Iowa Constitution, Art. III, 31  
Iowa Code 279.8, .29, .30 (1993) 281 I.A.C. 12.3(1)

*Page -2- Code No. 803.10*

**Reviewed & Revised:**

January 9, 1995

February 7, 2005

January 18, 2010

June 27, 2016

|

Business Procedures

Series 800

**Policy Title: SECRETARY'S MONTHLY REPORT**

**Code No. 804.1**

The Secretary of the Board shall file with the Board of Directors each month a complete financial statement of the preceding month's business. This statement shall be enclosed with the agenda sent to the members of the Board prior to the regular monthly financial meeting.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

June 30, 1998

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: TREASURER'S ANNUAL REPORT**

**Code No. 804.2**

At the annual meeting, the treasurer will give the annual report stating the amount held over, received, paid out, and on hand in the general and schoolhouse funds. This report is in written form and sent to the board with the agenda for the board meeting. The treasurer will also furnish the board with a sworn statement from each depository showing the balance then on deposit.

It is the responsibility of the treasurer to submit this report to the board annually.

**Legal Reference:** Iowa Code 279.31, .33 (2013)

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

February 21, 2000

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: PUBLICATION OF FINANCIAL REPORTS**

**Code No. 804.3**

Each month the schedule of bills allowed by the board is published in a newspaper designated as a newspaper for official publication. Annually, the total salaries paid to employees regularly employed by the school district will also be published in a newspaper designated as a newspaper for official publication.

It is the responsibility of the board secretary to publish these reports in a timely manner.

**Date of Adoption:**

June 27, 2016

Business Procedures

Series 800

**Policy Title: AUDITS**

**Code No. 804.5**

To review the funds and accounts of the school district, the board will employ an auditor to perform an annual audit of the financial affairs of the school district. The superintendent will use a request for proposal procedure in selecting an auditor. The administration will cooperate with the auditors.

**Date of Adoption:**

July 1, 1985

**Legal Reference:**

(Code of Iowa)  
Chapter 11/18

**Reviewed & Revised:**

September 3, 1991

May 4, 1998

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: CARE, MAINTENANCE & DISPOSAL OF SCHOOL DISTRICT RECORDS**

**Code No. 805.1**

School district records are housed in the central administration office of the school district. It is the responsibility of the superintendent and board secretary to oversee the maintenance and accuracy of the records. The following records are kept and preserved according to the schedule below:

- |   |   |
|---|---|
| • Secretary's financial records   | Permanently   |
| • Treasurer's financial records   | Permanently   |
| • <u>Open meeting</u> minutes of the Board of Directors                                 | Permanently   |
| • Annual audit reports  | Permanently   |
| • Annual budget   | Permanently   |
| • Permanent record of individual pupil  | Permanently   |
| • School election results   | Permanently   |
| • Real property records (e.g., deeds, abstracts)  | Permanently   |
| • Records of payment of judgments against the school district                           | 20 years  |
| • Bonds and bond coupons  | 11 years <u>a</u> fter maturity, cancellation, transfer, redemption, and/or replacement |
| • Written contracts   | 10 years  |
| • Cancelled warrants, check stubs, bank statements, bills, invoices, and related record | 5 years   |
| • Recordings <u>and minutes</u> of closed meetings                                      | 1 year  |
| • Program grants  | As determined by the grant  |
| • Nonpayroll personnel records  | 10 years <u>a</u> fter leaving district   |
| • Employment applications   | 2 years   |
| • Payroll records   | 3 years   |
| • School meal programs accounts/records   | 3 years after submission of the final claim for reimbursement                           |



In the event that any federal or state agency requires a record be retained for a period of time longer than that listed above for audit purposes or otherwise, the record shall be retained beyond the listed period as long as is required for the resolution of the issue by the federal or state agency.

Employees' records are housed in the central administration office of the school district. The employees' records are maintained by the superintendent, the building administrator, the employee's immediate supervisor, and the board secretary.

An inventory of the furniture, equipment, and other non-consumable items other than real property of the school district is conducted annually under the supervision of the superintendent. This report is filed with the board secretary.

The permanent and cumulative records of students currently enrolled in the school district are housed in the central administration office of the attendance center where the student attends. Permanent records shall be housed in a fire resistant safe or vault or electronically with a secure backup file. –The building administrator is responsible for keeping these records current. Permanent records of students who have graduated or are no longer enrolled in the school district are housed in the in the central office administrative office of the district, and will be retained permanently. These records will be maintained by the superintendent.

Special education records shall be maintained in accordance with law.

The superintendent may digitize or otherwise electronically retain school district records and may destroy paper copies of the records. An electronic record which accurately reflects the information set forth in the paper record after it was first generated in its final form as an electronic record, and which remains accessible for later reference meets the same legal requirements for retention as the original paper record.

Legal Reference: 7 C.F.R. § 210.23(c).  
Iowa Code §§ 22.3; 22.7; 91A.6; 279.8; 291.6; 554D.114; 554D.119;  
614.1(13).  
281 I.A.C. 12.3(4); 41.624.  
*City of Sioux City v. Greater Sioux City Press Club*, 421 N.W.2d 895 (Iowa 1988).  
*City of Dubuque v. Telegraph Herald, Inc.*, 297 N.W.2d 523 (Iowa 1980).

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

August 1, 1994

February 21, 2000

February 7, 2005

January 18, 2010

June 27, 2016

**Legal Reference:**

(Code of Iowa)

Chapter 291.6 - 291.11

School Business, Dept. of

Instruction, 1965

## Business Procedures

### Series 800

#### **Policy Title: INVENTORY**

**Code No. 805.5**

An annual inventory of all furniture and other equipment shall be maintained under the supervision of the Superintendent of Schools. All items of equipment that are not consumable in nature shall be included in the annual inventory. A perpetual inventory shall be maintained for all items that are consumable in nature at the time of purchase.

In addition, a separate fixed asset listing will be maintained for all Governmental Funds, in accordance with GASB 34 and GASB 51. All fixed assets, both tangible and intangible, shall be accounted for at cost, or if cost is not determinable, at estimated cost. Donated fixed assets shall be recorded at estimated fair market value at the time received.

Tangible fixed assets will include buildings, land, land improvements, artwork, construction in progress and machinery and equipment. Tangible assets with an historical cost equal to or greater than \$1,500 will be capitalized and depreciated using the straight-line method over their estimated useful life.

Intangible fixed assets shall be defined as assets that are identifiable, lack a physical substance, have an initial useful life extending beyond a single reporting period and cost more than \$25,000. Examples include easements, patents, trademarks, copyrights, and computer software that is purchased, licensed, or internally generated. If the asset is generated internally, cost shall include efforts of staff members or independent contractors to plan, develop, and implement the asset. Intangible fixed assets will be considered capital assets for financial reporting purposes and depreciated over the estimated useful life of the asset using the straight-line method.

In addition to the equipment meeting the capitalization threshold as defined in this policy, all computers, TVs, digital cameras, LCD projectors and all electronics must be tagged in a manner to identify them as permanent property of the Colfax-Mingo Community School District.

#### **Date of Adoption:**

July 1, 1985

#### **Revised & Reviewed:**

September 3, 1991

June 5, 1995

February 7, 2005

January 18, 2010

September 20, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: INSURANCE PROGRAM**

**Code No. 806.1**

The Board will maintain a comprehensive insurance program to provide adequate coverage against major types of risk, loss, or damage, as well as legal liability. The Board will purchase insurance at replacement values, when possible, after reviewing the costs and availability of such insurance. The comprehensive insurance program is reviewed once every three years. Insurance will only be purchased through legally licensed Iowa insurance agents.

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

The Board may retain a private organization for fixed assets management services.

Administration of the insurance program, making recommendations for additional insurance coverage, placing the insurance coverage and loss prevention activities is the responsibility of the Superintendent. The (superintendent/fixed assets manager) is responsible for maintaining the fixed assets management system, processing claims and maintaining loss records.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

February 7, 2005

January 18, 2010

June 27, 2016

**Legal Reference:**

(Code of Iowa)

20.9; 85.2, 279.12, .28;

85.5(6), .10(6); 296.7;

298A; 517A.1; 670.7

(2003)

1974 Op. Att'y Gen. 171 1972 Op.

Att'y Gen. 676

Business Procedures

Series 800

**Policy Title: PERIODIC REVIEW OF INSURANCE PROGRAM**

**Code No. 806.2**

The Board of Directors shall review the insurance program of the school district periodically to ensure adequate coverage of the program. Such review may be made annually, but such review must be made within every three-year period.

The Superintendent of Schools, after consultation with other administrative personnel, the school district's appraisal agency, and the school district's insurance agency, shall provide the data and shall make recommendations concerning the school district's program of insurance.

**Date of Adoption:**

July 1, 1985

**Reviewed & Revised:**

September 3, 1991

June 30, 1998

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: GENERAL FIXED ASSETS/CAPITAL ASSETS**

**Code No. 806.3**

All assets purchased by the Colfax-Mingo Community School District are subject to the following capitalization policy:

**General fixed Assets/Capital Assets:**

Capital assets are recorded as expenditures in the Governmental Funds and are capitalized in the General Fixed Assets Account Group. Assets in this account group are recorded at historical cost, and must have a useful life greater than one reporting period and have a value of at least \$1,500. This district will not utilize salvage value.

In accordance with the standard 34, set forth by the Governmental Accounting Standards Board, depreciation will be recorded for general fixed assets, utilizing the straight-line method with a full convention over the following asset lives:

<b>Asset Class</b>	<b>Examples</b>	<b>Estimated Useful Life In Years</b>
<b>Site Improvements</b>	Paving, flagpoles, retaining walls, sidewalks, fencing, outdoor lighting.	20
<b>School Buildings</b>		50
<b>Equipment</b>	Classroom and office furniture, fax, copiers, computer hardware, grounds equipment.	5
<b>Licensed Vehicles</b>	Buses, other on-road vehicles.	7

**Enterprise Fund Assets or Business-Type**

Enterprise fund type property and equipment is accounted for at historical cost for assets with a useful life greater than one reporting period and with a value of at least \$500. Depreciation is recorded over 12 years, using the straight-line method.

**Date of Adoption:**

January 17, 2005

**Reviewed & Revised:**

February 7, 2005

January 18, 2010

June 27, 2016

Business Procedures

Series 800

**Policy Title: STUDENT ACTIVITIES FUND**

**Code No. 807.1**

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

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

Numbered tickets will be used as a standard practice for school events and activities to reconcile gate receipts with the number of tickets sold for events charging admission.

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

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

Legal Reference: Iowa Code §§ 11.23; 279.8 (2007).

**Date of Adoption:**

January 18, 2010

**Reviewed & Revised:**

June 27, 2016

## Business Procedures

Series 800

**Policy Title: INTERNAL CONTROLS**

**Code No. 808**

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

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

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

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

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

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



*Page -2- Code No. 808*

**Date of Adoption:**

January 18, 2010

June 27, 2016

## Business Procedures

Series 800

**Policy Title: INTERNAL CONTROLS PROCEDURES**

**Code No. 808.1**

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

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

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

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

**Date of Adoption:**

January 18, 2010

**Reviewed & Revised:**

June 27, 2016