# Coeur d'Alene School District No.271 Policy Manual

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Goals

The Board recognizes that its primary purpose is to provide a quality education within the limits of the established curriculum and the financial ability of the District. Since educational programs are dependent on adequate funding and the proper management of those funds, District goals can best be attained through efficient fiscal management. As Trustee of local, State, and federal funds allocated for use in public education, the Board shall fulfill its responsibility to see that funds are used to achieve the purposes intended, that they are used efficiently, and their use is reported to the public.

The Board directs the administration to develop specific finance procedures as needed for the effective and efficient implementation of these policies.

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

1. Engage in advance planning, with staff and community involvement, to develop budgets that will achieve the greatest educational returns in relation to dollars expended;
2. Provide timely and appropriate information to staff who have fiscal responsibilities; and
3. Establish efficient procedures in all areas of fiscal management.

Legal Reference:  
I.C. § 33-506 Organization and Government of Board of Trustees  
I.C. § 33-701 et seq. Fiscal Affairs of School Districts

Policy History:  
Adopted on: 7/10/17
Revised on:
Equivalence in Instructional Staff and Materials

The Board directs that all schools within the District are, to the greatest extent possible, equivalent in teaching, administrative and other staff, and in provision of curricular materials and instructional supplies so that programs and services throughout the schools of the District are substantially comparable.

In reaching this equivalency status, the Board recognizes that individual teacher salary differentials due to schedule factors will not be included in the determination of staff equivalency. Further, the District recognizes that unpredictable changes in student enrollment and personnel assignments that occur after the beginning of the school year in determining comparability of services under this policy will not be included in an analysis of equivalency.

To promote this purpose, and to comply with applicable federal law, the Superintendent, to the maximum extent possible, shall ensure the District complies with the following:

- **Maintenance of effort.** To the maximum extent possible, the District shall maintain its programs and expenditures in a consistent manner from year to year, unless changes to funding or attendance make such allocations unfeasible.

  The Board may seek a waiver of this requirement from the Secretary of Education in the case of exceptional or uncontrollable circumstances, such as a natural disaster or a change in the organizational structure of the District; or a precipitous decline in the financial resources of the District.

- **Federal funds to supplement, not supplant, non-Federal funds.** The District may use federal funds only to supplement the funds that would, in the absence of such federal funds, be made available from State and local sources for the education of students participating in programs assisted under this part, and not to supplant such funds. To demonstrate compliance with this requirement, the District shall maintain adequate accounting records to demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under this part ensures that all schools receive all of the State and local funds it would otherwise receive if it were not receiving federal funds.

- **Comparability of services.** Except as provided in paragraph captioned “Compliance,” below, the District shall ensure that State and local funds will be used in schools receiving federal funds to provide services that, taken as a whole, are at least comparable to services in schools that are not receiving federal funds. If the District is serving all of its schools with federal funds, it must ensure that State and local funds are used to provide services that, taken as a whole, are substantially comparable in each school.
• **Written assurance.** The District shall provide the State Department of Education written assurances that the District has established and implemented--

(1) a District-wide salary schedule;
(2) a policy to ensure equivalence among schools in teachers, administrators, and other staff; and

(3) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.

• **Procedures and records.** The Superintendent shall: (1) develop procedures for compliance with this Policy; and (2) maintain records that are updated biennially documenting compliance with this Policy.

• **Compliance.** For the purpose of determining compliance with the requirement to supplement and not supplant state funds with federal funds, the District is permitted to exclude State and local funds expended for: (1) language instruction educational programs; and (2) the excess costs of providing services to children with disabilities as determined by the Superintendent.

• **Exclusion of funds.** For the purpose of complying with the requirements of comparable services, the District may exclude receipt of supplemental State or local funds expended in any school for programs that meet the intent and purpose of 20 USC § 6321.


Policy History:
Adopted on: 7/10/17
Revised on: 12/4/17, 5/7/18
Budget and Program Planning

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

Prior to presentation of the proposed budget for adoption, the Superintendent or designee shall prepare, for the Board's consideration, recommendations with supporting documentation, including statistical and financial information, which shall be designed to meet the needs of students within the limits of anticipated revenues.

A summary statement of the budget will also be prepared and published for the ensuing year. The statement will be in a manner consistent with standard accounting principles and in such form as required by the State Superintendent of Public Instruction. The summary statement will show the following:

1. Amounts budgeted for all major classifications of income and expenditures, with total amounts budgeted with salary and wage expenditures in each such classification shown separately; and

2. Amounts previously received and expended for the two (2) previous years for the same classification of proposed comparison.

Once the budget is approved by the Board, it will serve as a spending plan for the fiscal year.

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

Legal Reference:
- I.C. § 33-402 Notice Requirements
- I.C. § 33-512 Governance of Schools
- I.C. § 33-801 School District Budget

Policy History:
Adopted on: 7/10/17
Revised on:
(2) a policy to ensure equivalence among schools in teachers, administrators, and other staff; and

(3) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.

- **Procedures and records.** The Superintendent shall: (1) develop procedures for compliance with this Policy; and (2) maintain records that are updated biennially documenting compliance with this Policy.

- **Compliance.** For the purpose of determining compliance with the requirement to supplement and not supplant state funds with federal funds, the District is permitted to exclude State and local funds expended for: (1) language instruction educational programs; and (2) the excess costs of providing services to children with disabilities as determined by the Superintendent.

- **Exclusion of funds.** For the purpose of complying with the requirements of comparable services, the District may exclude receipt of supplemental State or local funds expended in any school for programs that meet the intent and purpose of 20 USC § 6321.

Legal Reference: 20 U.S.C. § 6321

Fiscal Requirements, as amended by Every Student Succeeds Act of 2015

Policy History:
Adopted on: 7/10/17
Revised on: 12/4/17
Budget Hearing

Following preliminary planning and no later than twenty-eight (28) days prior to the Board’s annual meeting, the proposed budget will be available and a public hearing on the budget will be held. At the public hearing, or at a special meeting held no later than fourteen (14) days after the public hearing, the Board will adopt a budget for the ensuing year.

Not later than April 30 of each year, the budget hearing will be scheduled. The clerk of the Board will notify the county clerk of the date and location set for the budget hearing. In the event no budget hearing will be held, the county clerk will be so notified. Proper notice of the budget hearing will be posted as required by law, and a copy of the proposed budget will be available for public inspection at all reasonable times at the administrative offices of the District.

Procedure History:
Promulgated on: 7/10/17
Revised on:
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT

Budget Implementation and Execution

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

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

Legal Reference:  I.C. § 33-701 et seq. Fiscal Affairs of School District

Policy History:
Adopted on: 7/10/17
Revised on:
Monthly Finance Report

A monthly finance report must be prepared by the Superintendent or his or her designee showing the General Fund expenditures and revenues compared to budgeted revenues and expenditures for each major classification in the General Fund chart of accounts.

The monthly finance report will be submitted to the Board at a regularly scheduled meeting.

Legal Reference: I.C. § 33-509 Duties of the Treasurer

Policy History:
Adopted on: 7/10/17
Revised on:
Budget Adjustments

This Board will review the District’s budget periodically and make appropriate budget adjustments to reflect the availability of funds and the requirements of the District.

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

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

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

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

Budget amendments shall be submitted to the State Superintendent of Public Instruction.

Legal Reference:  I.C. § 33-701 Fiscal Year – Payment and Accounting of Funds
I.C. § 33-802(2) School Levies

Policy History:
Adopted on: 7/10/17
Revised on:
The District accounting system shall be established to present with full disclosure the financial position and results of the financial operations of the District funds and account groups in conformity with generally accepted accounting principles. The accounting system must be in compliance with the accounting system requirements established by legislative action. It shall be possible to demonstrate the accounting system’s compliance with finance-related legal and contractual provisions.

Policy History:
Adopted on: 7/10/17
Revised on:
Fixed Assets and Management Discussion and Analysis (GASB Statement 34)

Purpose

The Board recognizes the need to implement the required accounting and financial reporting standards set out in Governmental Accounting Standards Board Statement 34 (“GASB 34”)

The primary objectives of implementing the GASB 34 are to assure compliance with State requirements, to properly account for both the financial and economic resources, and to provide new and additional information to users of District financial statements.

Authority

Participation and reporting shall be in accordance with Board policy, State of Idaho Fiscal Policy manuals as prepared by the office of the State of Idaho Controller’s Office, and GASB 34.

Delegation of Responsibility

The responsibility to coordinate the compilation and preparations of all information necessary to implement this policy is delegated to the Superintendent or designee in cooperation with the District Accountant.

The designated individual shall be responsible for implementing the necessary procedures to establish and maintain a fixed asset inventory, including depreciation schedules. Depreciation shall be computed on a straight-line basis over the useful lives of the assets, using an averaging convention. Normal maintenance and repairs shall be charged to expense as incurred; major renewals and betterments that materially extend the life or increase the value of the asset shall be capitalized. A schedule of accumulated depreciation shall be consistent from year to year. The basis for depreciation, including groups of assets and useful lives, shall be in writing and submitted for review to the Board of Trustees.

The Superintendent or designee in cooperation with the District’s Accounting firm shall prepare the required Management Discussion and Analysis (MD&A). The MD&A shall be in the form required by GASB Statement 34 and shall be submitted to the Board for approval prior to publication.

Prior to submission of the MD&A for Board approval, the independent auditors shall review the MD&A, in accordance with SAS No. 52, “Required Supplementary Information.”

Guidelines

In order to associate debt with acquired assets, and to avoid net asset deficits, any asset that has been acquired with debt proceeds shall be capitalized, regardless of the cost of the asset. Any assets capitalized should be depreciated using their estimated useful life, not their amortization schedule.

For all other assets not acquired by debt proceeds, the dollar value of any single item for inclusion in the fixed assets accounts shall be not less than $5,000.

Assets that fall below the capitalization threshold for GASB 34 reporting purposes may still be significant for insurance, warranty service, and obsolescence/replacement policy tracking purposes. The intermediate unit may record and maintain these non-GASB 34 asset inventories in subsidiary ledgers.

Legal Reference: Governmental Accounting Standards Board (“GASB”) Statement No. 34

Policy History:
Adopted On: 7/10/17
Revised On:
Fund Accounting System (GASB Statement 54)

To enhance the usefulness of fund balance information, the District will provide clear fund balance classifications and use fund type definitions consistently.

The policy is designed to encourage consideration of unanticipated events that could adversely affect the financial condition of the District and jeopardize the continuation of necessary public services. The District should maintain adequate fund balances and reserves in order to:

1. Provide sufficient cash flow for daily financial needs;
2. Secure and maintain investment grade bond ratings;
3. Offset significant economic downturns or revenue shortfalls; and
4. Provide funds for unforeseen expenditures related to emergencies.

Fund Types

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts. The following funds are maintained by the District:

1. The General Fund is used to account for all financial resources not accounted for and reported in another fund;
2. Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects;
3. Debt Service Funds are used to account for all financial resources restricted, committed, or assigned to expenditure for principal and interest;
4. Capital Projects Funds or Plant Facilities Funds are used to account for all financial resources restricted, committed, or assigned to expenditure for the acquisition or construction of capital assets.
5. Permanent Funds are used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the District’s purposes.

Note: The above list is not comprehensive and the District may have other funds such as an Activities Fund.

Fund Balance Reporting in Governmental Funds

The following definitions will be used in reporting activity in governmental funds across the District. The District may or may not report all fund types in any given reporting period, based on actual circumstances and activity.
1. **Non-spendable Fund Balance:** Includes amounts that cannot be spent because they are either:
   
   A. Not in spendable form; or  
   B. Legally or contractually required to be maintained intact.

2. **Restricted Fund Balance:** Includes amounts that can be spent only for the specific purposes stipulated by District policy, external resource providers, or through federal regulations or State laws or rules.

3. **Committed Fund Balance:** Includes amounts that can be used only for the specific purposes determined by a formal action of the Board.

4. **Assigned Fund Balance:** Includes amounts intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted or committed. In funds other than the General Fund, the assigned fund balance represents the remaining amount that is not restricted or committed.

   **Authority to Assign** - The Board delegates to the Superintendent or designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

5. **Unassigned Fund Balance:** Includes the residual classification for the District’s General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**Prioritization of Fund Balance Use**

The Board’s primary role in adopting this policy is to identify the order of spending unrestricted resources and to acknowledge that the Board is the ultimate decision making authority with regard to committing balances upon recommendation of the Superintendent or designee.

If the Board chooses not to adopt a policy addressing the order of spending, the default approach of reducing restricted, then committed, then assigned, then unassigned fund balances will be used.

**Guidelines**

**Classifying Fund Balance Amounts:** Fund balance classifications depict the nature of the net resources that are reported in a fund. An individual fund may include non-spendable resources and amounts that are restricted, committed, or assigned, or any combination of those classifications. The General Fund may also include an unassigned amount.

**Encumbrance Reporting:** Encumbering amounts for specific purposes for which resources have already been restricted, committed, or assigned should not result in separate display of
Encumbered amounts. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed, or assigned, will be classified as committed or assigned, as appropriate, based on the definitions and criteria set forth above.

**Contingency Reserve:** The District must maintain a set-aside of 5% of the estimated revenues for the current year, not including transfers in, except that the contingency fund shall not exceed five percent of the total general fund, or the equivalent value of one (1) support unit computed as required by State law, whichever is greater. This will be reported on the contingency reserve line item on the official budget form prescribed by the State Department of Education.

**Replenishing Deficiencies:** When the fund balance falls below the minimum percentage, the District will replenish the shortage or deficiency using the budget strategies and timeframes described below.

The following budgetary strategies shall be utilized by the District to replenish funding deficiencies:

1. The District will reduce recurring expenditures to eliminate any structural deficit; or
2. The District will increase revenues or pursue other funding sources; or
3. Some combination of the two options above.

Contingency reserve deficiencies shall be replenished within the following time periods:

1. Deficiency resulting in a minimum contingency reserve between three percent (3%) and five percent (5%) shall be replenished over a period not to exceed three (3) years; and
2. Deficiency resulting in a minimum contingency reserve of less than three percent (3%) shall be replenished over a period not to exceed five (5) years.

**Surplus fund balance:** Should unassigned fund balance of the General Fund ever exceed sixteen percent (16%) of revenues in the ended fiscal year, the District will consider ending such fund balance surpluses for one-time expenditures that are nonrecurring in nature and which will not require additional future expense outlays for maintenance, additional staffing, or other recurring expenditures.

**Residual Equity Transfer:** During the final procedures for preparing the District’s financial statements, it is necessary that nonrecurring or nonroutine transfers of fund balance between funds take place. This ensures compliance with reporting standards. Such transfers are only permitted when consistent with the statutory restrictions upon the use of the funds, for each respective fund. The Board shall be notified in writing by the Superintendent or designee of total transfers exceeding $100,000.00 in any one fund within a fiscal year.

**Implementation and Review:** The Board authorizes the Superintendent to establish any standards and procedures which may be necessary for its implementation. The Superintendent shall review this policy and any procedures regarding its implementation annually or as needed and make any recommendations for changes to the Board.
The Superintendent or designee shall provide accounting procedures for the receipt, deposit, expenditure and withdrawal of such moneys and procedures for monthly reporting to the Board of the transactions, assets, liabilities and fund balance for each such fund.

Legal Reference:  
I.C. § 33-701 et seq. Fiscal Affairs of School District  
I.C. § 33-901 et seq. School Funds  
Governmental Accounting Standards Board (“GASB”) Statement No. 54

Policy History:  
Adopted on: 6-5-17  
Revised on: 6/4/18, 9/10/18, 11/5/18
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT

Federal Grant Financial Management System

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

Idaho Financial Reporting Management System (IFARMS)

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

Financial Management Standards

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

1. **Identification:** The District shall identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification shall include the information described below under “Overview of the Financial Management/Accounting System.”

2. **Financial Reporting:** Accurate, current, and complete disclosure of the financial results of each federal award or program will be made in accordance with the financial reporting requirements set forth in the Education Department General Administrative Regulations (EDGAR).

3. **Accounting Records:** The District shall maintain records that adequately identify the source and application of funds provided for federally-assisted activities. These records will contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest, and be supported by source documentation.

4. **Internal Controls:** Effective control and accountability shall be maintained for all funds, real and personal property, and other assets. The District shall adequately safeguard all such property and shall assure that it is used solely for authorized purposes.

“Internal controls” are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:
A. Effectiveness and efficiency of operations;
B. Adequate safeguarding of property;
C. Assurance property and money is spent in accordance with grant program and to further the selected objectives; and
D. Compliance with applicable laws and regulations.

5. **Budget Control:** Actual expenditures or outlays shall be compared with budgeted amounts for each federal award.

6. **Cash Management:** The District shall maintain written procedures to implement the cash management requirements found in EDGAR. See Policy 7450.

7. **Allowable Costs:** The District shall maintain written procedures for determining allowability of costs in accordance with EDGAR. See Policy 7320 and Procedure 7320P.

**Overview of the Financial Management/Accounting System**

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

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

**Budgeting**

**The Planning Phase: Meetings and Discussions: Before Receiving the Grant Award Notice (GAN):** The Federal Programs Director, assisted by the Superintendent or designee, shall be responsible for initial federal grant budget development. Initial budget development shall be based upon estimates of federal program award amounts as provided by the State Department of Education, as well as input from program and administrative staff with respect to individual program staff needs, number and assignments of paraprofessionals relative to program allocations, and need for instructional supplies and equipment. The primary considerations of initial budget development shall be the educational needs of students and the availability of existing District resources for meeting these needs.
Budgets shall be prepared and presented in a format that clearly identifies revenue sources and amounts and budgeted expenditures, in accordance with IFARMS accounting codes, and shall be open for public inspection.

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

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

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

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

Accounting Records

The Superintendent or designee shall be responsible for the maintenance of accounting records. Electronic accounting records are maintained in the Skyward system, and paper records are maintained on file in the District office. All accounting records shall be reviewed by the District Superintendent and, where appropriate and required, the Board. The District chart of accounts and financial reports shall be established and maintained in accordance with Generally Accepted Accounting Principles (GAAP) and IFARMS, as required by Idaho Code. Accounting records shall be available for public inspection, per the District’s public record request policy.

Spending Grant Funds

In determining what items will be included in individual program budgets, the Superintendent or designee and the Federal Programs Director will follow the federal cost principles and individual
program statutes and regulations, as the basis for determining whether individual expenditures are allowable.

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

**Direct and Indirect Costs:**

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

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

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

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

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

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

2. **Indirect Cost Rate:** It is at the discretion of the Coeur d’Alene School District to use the indirect cost rate. If the District elects to take indirect costs, it shall follow the procedures for calculating the indirect cost rate prescribed by the State Department of Education and apply the policies and procedures outlined in the federal regulations as described below.

3. **Applying the Indirect Cost Rate:** Once the District has an approved indirect cost rate, the percentage is multiplied against the actual direct costs (excluding distorting items such as equipment, contracts in excess of $25,000, pass-through funds, etc.) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award.
Once the District applies the approved rate, the funds that may be claimed for indirect costs have no federal accountability and may be used as if they were non-federal funds. For direct grants, reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions.

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

Cross Reference: 7230 Financial Reporting and Audits

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

Policy History:
Adopted on: 1/7/19
Revised on: 5/6/19
Documentation and Approval of Claims

All financial obligations and disbursements must be documented in compliance with the statutory provisions and audit guidelines. The documentation will specifically describe acquired goods and/or services, the budget appropriations applicable to payment, and the required approvals. All purchases, encumbrances and obligations, and disbursements must be approved by the administrator designated with the authority, responsibility, and control over the budget appropriations.

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

Policy History:
Adopted on: 7/10/17
Revised on:
Financial Fraud and Theft Prevention

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

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

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

Staff Responsibilities

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

An employee who believes they have suffered reprisal, retaliation, or discrimination for a report under this policy shall report the incident(s) to the Superintendent or designee. The Board will attempt to ensure that no employee who makes such a report will suffer any form of reprisal, retaliation, or discrimination for making the report. Employees are prohibited from preventing or interfering with those who make good faith disclosures of misconduct. This policy shall not apply when an employee knowingly makes a false report.
In the event the concern or complaint involves the Superintendent, the concern shall be brought to the attention of the Chair of the Board who is hereby empowered to contact the District’s legal counsel, auditing firm, and any other agency to investigate the concern or complaint.

Definition

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

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

Internal Controls

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

1. **Electronic Cash Disbursements:** Require dual approval for all electronic disbursements of cash.

2. **Monthly bank reconciliations should be performed for all cash accounts in the district.** All bank reconciliations must be completed by a staff member who is not involved in handling deposits or disbursements of funds. If there is not sufficient staffing to segregate these duties, the monthly bank reconciliations must be reviewed by a person who is not involved in handling deposits or disbursements of cash.

3. **Checks:** The treasurer or designee shall keep personal custody of any signature stamps associated with check approval and maintain a log for every check written;

4. **Conduct Background Checks on Potential Business Office Employees:** Check all possible references, not just those offered, and perform criminal background checks and credit checks on key business officials and other warranted positions; and

5. Segregate duties within the business office so as to avoid the opportunity for fraud without collusion.
The District will carry a fidelity bond on the District treasurer, the District clerk, and such other personnel as may be directed by the Board.

**Policy History:**
Adopted on: 7/10/17
Revised on: 7/1/19
Financial Reporting and Audits

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

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

The Board directs that District audits shall be conducted annually in accordance with Idaho Code § 67-450B. The audit will be performed by independent auditors employed on a written contract. Each audit shall be a comprehensive audit of the affairs of the District and the District funds. The audits shall comply with all statutory provisions and generally accepted governmental auditing standards, as defined by the United States Government Accountability Office. Within ten (10) days after receiving the audit from the District’s independent auditor, the School District shall file two (2) copies of the completed audit report with the legislative counsel at:

Idaho Legislative Services Office
Legislative Services Audit
Staff of Legislative Counsel
P.O. Box 83720
Boise, Idaho 83720-0054

The report shall be filed with the State Department of Education after its acceptance by the Board of Trustees no later than November 10.

The annual budget will reflect all necessary expenses for carrying out the provisions of this policy.

Legal Reference:  I.C. § 33-701    Fiscal Year – Payment and Accounting of Funds

Policy History:
Adopted on: 7/10/17
Revised on:
Fiscal Accountability and IDEA Part B Funds

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

Use of IDEA Part B Funds

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

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

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

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

Time and Effort Reporting

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

The Board directs the Superintendent or designee to establish a system for time and effort reporting that complies with the requirements of OMB Circular A-87 and OMB Circular A-133.
**Maintenance of Effort**

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

**Parentally-Placed Private School Children**

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

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

**Property Procurement and Tracking**

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

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

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

In addition to the above information, the inventory management system should ensure that all source documents in support of the above information are maintained throughout the life and disposition of the equipment. These records should be updated frequently so that every piece of equipment purchased with federal funds can be accounted for at any given time.

Legal Reference: 2 C.F.R. §§200.430 Time and Effort
34 C.F.R. §§80.36 Procurement
34 C.F.R. §§80.42  Retention and Access Requirements for Records
34 C.F.R. §§300.132-133  Provision of Services for Parentally-Placed
Private School Children with Disabilities
34 C.F.R. §§300.16  Excess Costs
34 C.F.R. §§300.202-205  Use of Amounts
34 C.F.R. §§300, Appendix A  Excess Costs Calculation
Fiscal Accountability Checklist:  For Sub-Recipients of IDEA Part B
Funds
OMB Circular A-87
OMB Circular A-133


Policy History:
Adopted On: 7/10/17
Revised On: 5/6/19
Written Compensation Procedure (Time and Effort)

Time and Effort Standards

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

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

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

Time and Effort Procedures

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

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

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

If an employee works exclusively in a single federal program, that employee will, at least semi-annually complete Form 7235F1 Federal Funds Semi-Annual Certification Form. The form must
be completed at least twice each year and signed by the employee and staff member with after-the-fact knowledge of the employee’s activities.

Federal programs staffs who work in multiple programs and are paid from multiple federal awards with no fixed schedule shall complete a Form 7235F2 Personnel Activity Report.

**Positive Time Reporting**

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


**Procedure History:**
Promulgated on: 5/6/19
Revised on:
Single Federal Award or Cost Objective

This form is required to be signed twice annually by the employee(s) paid solely from a single federal fund, (for example, Title I, Title II, IDEA Part B, etc.) or who work solely on a single cost objective and should be available for audit and monitoring reviews.

SDE Recommended Tracking states “where employees are expected to work solely on a single federal award or cost objective charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on the program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee and supervisory official having first-hand knowledge of the work performed by the employee.”

I, _______________________________________, ____________________________________

(Name) (Title)

certify that 100% of my time has been spent performing duties associated with

________________________________________

*Insert the name of the federal award or cost objective. Cost objectives could include special education, IDEA Part B Maintenance of Effort Preschool program, etc.

for the period of (July 1 through December 31) or (January 1 through June 30) of the current year.

(Underline or circle the correct period)

_________________________________ Employee Signature    Date _______________________

_________________________________ Supervisor Signature    Date _______________________

Legal Reference:  Idaho SDE IDEA Part B Funding Manual
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT

Retention of Records Relating to Federal Grants

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

Procedures

The District shall maintain records that fully show:

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

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

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

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

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

Collection and Transmission of Records

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

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

Privacy

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

Legal Reference:  34 C.F.R. § 76.730-.731
34 C.F.R. § 75.730-.731
34 C.F.R. § 75.732
2 CFR 200.335
2 C.F.R. §§ 200.333-.337


Policy History:
Adopted on: 1/7/19
Revised on: 5/6/19
The Board is responsible for the establishment and management of student activity funds, student custodial funds, and special building funds. The purpose of student activity funds shall be to account for revenues and disbursements of those funds raised by students through recognized student body organizations and activities, including:

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

The nature of expenditures of ASB funds must match the original intended purpose of the funds granted or collected. The type of expenditure shall be limited to purchased services, supplies, and equipment that match the intended purpose of the funds granted or collected.

The funds collected by the schools shall be maintained in accounts requiring two (2) authorized signatures for the distribution of funds: one signature shall be by a person designated by the Board as an assistant treasurer and the other shall be the principal or other designated signatory of the building or District. The assistant treasurer shall be approved by and responsible to the District treasurer. All disbursements from Student Activity Funds must have an approved purchase order prior to commitment of funds. Disbursements made from Student Activity Funds must be approved by the Superintendent or designee prior to the commitment of funds.

The funds shall be deposited and expended by regular check in a bank account maintained by the District for each student activity fund attending the school or participating in the organization for whom the fund is created. The use of the student extra- and co-curricular funds is limited to the benefit of the students. The funds shall be utilized solely for the purpose of advancing the educational, athletic, extracurricular, and social progress of the students. Funds shall be utilized to benefit the entire organization or school, and not an individual student, without approval from the Superintendent or designee. All funds collected or received for school programs, activities, or students use are by Idaho law public monies and the care, custody, control, and accounting for such monies is the duty and responsibility of the treasurer and the administrative officer of the District. The treasurer of the District shall provide accounting procedures for the receipt, deposit, expenditure, and withdrawal of such moneys.

The management of student activity funds shall be consistent with sound business practices. Authority is delegated to the Superintendent to require each school within the District to conform to accounting procedures for the receipt, deposit, management, expenditure, and withdrawal of
The Principal is responsible for the proper collection, disbursement, and control of all school activity funds. Personnel are to be responsible for knowledge of the content of such guidelines and acting in accordance with it regarding all fiscal management and accounting procedures.

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

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

Legal Reference:  I.C. § 33-509A  Assistant Treasurers
I.C. § 33-705  Activity Funds

Policy History:
Adopted on:  7/10/17
Revised on:
Property Records

Property records and inventory records shall be maintained on all land, buildings, and physical property, purchased for $5000 or more, under the control of the District. Such records shall be updated annually.

Property records of facilities and other fixed assets shall be maintained on an ongoing basis. All goods purchased using federal funds shall be delivered to the District office or a school and received by the appropriate accounting staff member. Upon receipt of goods, the appropriate accounting staff member shall maintain records that the items were received.

The appropriate accounting staff member checks all items against the invoice to ensure accuracy of delivery. Inventory items will be recorded in the District fixed asset system, if they are valued at $500 or more. No equipment shall be removed for personal or non-school use except according to Board policy.

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

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

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

1. Serial number or other identification number;
2. Source of funding for the property;
3. Identification of title holder;
4. Acquisition date and cost of the property;
5. Percentage of federal participation in the project costs for the federal award under which the property was acquired;
6. Location, use, and condition of the property; and
7. Any ultimate disposition data including the date of disposal and sale price of the property.
In the event the property is sold, lost, or stolen, or cannot be repaired, the item will be deducted from the fixed asset system. The date of the change will be listed along with the sale price, if the item is sold.

**Property Classifications**

Equipment and supplies with a useful life of more than 1 year, including computing devices, will be engraved with “Property of the Coeur d’Alene School District” and with appropriate equipment identification.

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

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

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

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

1. Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and

2. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

**Physical Inventory**

A physical inventory of the property valued at $500 or more must be taken and the results reconciled with the property records at least yearly.

Each staff member will inventory property items in their room at the end of each school year. The inventory sheet is reviewed by the staff member taking the inventory, as verification and is reviewed by the Superintendent or designee and kept electronically. Computer and technology equipment is inventoried through Asset Keeper management’s program, and recorded in an Excel spreadsheet maintained by the Superintendent or designee. Electronic equipment, such as iPads, are engraved with “Property of Coeur d’Alene School District”
Any discrepancy between physical inventory and the master inventory sheet will be researched by the Superintendent or designee and noted on the master inventory.

**Maintenance**

In accordance with 2 C.F.R. § 313(d)(4), the District maintains adequate maintenance procedures to ensure that property is kept in good condition. If an item needs repair, the Superintendent or designee will be notified and proper repair procedures will be determined, either in District or by sending the item to a qualified repair facility.

**Lost or Stolen Items**

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

**Use of Equipment Purchased with Federal Funds**

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

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

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

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

2. Activities under federal awards from other federal awarding agencies.

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

Cross Reference: 7210 GASB Statement 34 (Accounting System)
Legal Reference:  I.C. §33-601(4)(b) Real and Personal Property—Acquisition, Use or Disposal of Same
I.C. § 33-701 Fiscal Year – Payment and Accounting of Funds
2 C.F.R. § 200.12 Capital Assets
2 C.F.R. § 200.20 Computing Devices
2 C.F.R. § 200.33 Equipment
2 C.F.R. § 200.94 Supplies
2 C.F.R. § 200.313 Equipment

Policy History:
Adopted on: 7/10/17
Revised on: 1/7/19, 5/6/19
Revenues

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

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

Policy History:
Adopted on: 7/10/17
Revised on:
Investment of Funds

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

Unless otherwise provided by law, any interest or profit accrued from the investment of any funds will be credited to the general fund of this District.

Policy Considerations

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

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

Legal Reference:  
I.C. § 33-701  Fiscal Year - - Payment & Accounting of Funds  
I.C. § 33-901  School Plant Facilities Reserve Fund  
I.C. § 67-1210  Investment of Idle Moneys

Policy History:
Adopted on:  7/10/17
Revised on:
Advising in Schools/Revenue Enhancement

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

No advertisements that appear in District publications, on District buildings or grounds, or through links to commercial enterprises such as search engines on the Internet shall be construed as sponsored or endorsed products by the District.

Advertising in student publications published by student organizations may be permitted, subject to approval by the Superintendent or his or her designee.

The revenue derived should:

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

Solicitations

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

Legal Reference: I.C. § 33-506 Organization and Government of Board of Trustees
7 CFR § 210.30 Local School Wellness Policy
42 USC § 1758b, Section 204 Healthy and Hunger-Free Kids Act of 2010
42 USC § 1771 et seq. Child Nutrition Act of 1966
42 USC § 1751 et seq. National School Lunch Act

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

Policy History:
Adopted on: 7/10/17
Revised on:
Advertising in Schools/Revenue Enhancement

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

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

1. Fixed signage;
2. Banners;
3. District-level publications;
4. Television and radio broadcasts;
5. Athletic facilities, to include stadiums, high school baseball fields, and high school gymnasiums;
6. District-level projects;
7. Expanded usage of facilities beyond traditional use (i.e., concerts, rallies, etc.);
8. Individual school publications (when not in conflict with current contracts).

Advertising will not be allowed in classrooms, and corporate-sponsored curriculum materials are subject to the requirements of Board policy. Free commercially-sponsored teaching aids may be used if the content of the teaching aids is appropriate to the curriculum goals and objectives.

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

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

Exception

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

Solicitations

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

Approval of Advertising

The advertising of commercial products or services is not permitted in school buildings or on school grounds or properties unless pre-approved by the building principal. Additionally, advertising space on school property will be first approved by the Superintendent or designee. The advertising cost and duration of the display will be determined by contract language. A list of anticipated sales and advertising will be supplied to the Superintendent’s office annually for approval.

No use of a school name or of the District’s name to promote a product is permitted unless approved by the Superintendent or designee. Any District website or school personnel website advertising in the name of the District will be first approved by the Superintendent’s designee and will be reviewed frequently.

Procedure History:
Promulgated on: 7/10/17
Revised on: 11/4/19
Development and Management of Voter Approved Bonds and School Plant Facility Levies

Statement of Guiding Principles

The Board recognizes its responsibility to the citizens of the school district for the efficient and appropriate use of public funds. This policy and its procedure are intended to honor the will of District patrons as expressed by their approval of a School Plant Facility Levy or Bond issue.

It is, therefore, the duty of the Board to determine the guidelines for the most effective use of public funds and for reporting such use to the public.

The Board of Trustees directs the Superintendent or designee to develop specific procedures for the development and management of voter approved construction projects and for the effective and efficient implementation of this policy.

Policy History:
Adopted on: 7/10/17
Revised on:
Development and Management of Voter Approved Bonds and School Plant Facility Levies

Implementation of Policy

Implementation of Policy 7305 requires specific procedures in project development, ballot design, and oversight of spending and project management. These procedures, when fully defined, provide guidelines for successful implementation.

Project Development

A Board approved ad-hoc committee will utilize the following procedures once long range planning projects have been prioritized and established for Board review. This priority list will be updated annually as per the bylaws of the Long Range Planning Committee.

1. Project Costs: The ad-hoc committee will obtain an estimate of the project cost. The committee may use construction professionals, local contractors, construction cost estimators, architects, or other in-house or industry professionals to provide these qualified estimates of proposed projects.

2. Public Forums

   A. The ad-hoc committee will conduct one or more public forums to gather taxpayer input from patrons regarding potential projects and their costs. This will help the Board determine the community’s ability and/or willingness to fund these proposed projects.

   B. In addition to open public forums, the committee will solicit input from certain constituencies, such as:

      I. Concerned Businesses; and
      II. The Chamber of Commerce.

3. Ballot Development: The ballot should be developed in a clear and concise manner that outlines the intent for the project (such as to modernize, expand capacity, etc.), project scope (such as building a new structure or renovating), and the budget (including total projected cost including contingencies). The ballot format may vary depending on the issues.

   A. Professional Fees: Professional fees shall be paid prior to the levy or bond’s passage only with Board approval and only for customary fees associated with the exploratory nature of the projects or the development thereof.
B. Contingent Fees Project: Cost estimates are subject to inflation. A reasonable contingent amount will be added to cover construction cost increases for each project on the ballot.

C. Construction Bids

   I. As bids are received for projects, in no case will money be taken from a future project to cover increased costs for the current project. The project may have to be scaled back to remain within budget.

   II. In the event project construction bids come in lower than estimated, these monies will be set aside upon the completion of all projects on the ballot. In the event a fund balance remains after all projects on the ballot are completed, the balance will be set aside for property acquisition and voted on or applied to the next set of projects as proposed and voted on by the public.

4. Communication Plan: An ad-hoc committee will develop a communication plan to keep the public informed on each projects’ status and the costs involved.

5. Bond/SPFL – Decision Making Process:

   A. The Long Range Planning Committee will request the administration conduct a cost benefit analysis to determine the advisability of funding construction projects via a school plant facility levy or a bond.

   B. The Long Range Planning Committee will advise the Board as to which mechanism to utilize.

6. Ten Year Plan: The Long Range Planning Committee will maintain and update a 10 year facility plan that outlines the possible construction projects, including new construction and remodels, based on the process outlined in the bylaws. Land acquisition will always be considered in the 10 year plan.

Procedure History:
Promulgated on: 7/10/17
Revised on:
Expenditures will be aligned with approved budgeted items. Any material changes or variations from the state-approved budget and grant application need prior approval from the State. When determining how the District will spend its grant funds, the Federal Program Manager and the Finance Director will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in Education Department General Administrative Regulations, referenced below, which are provided in the bulleted list below. The Finance Director and District Federal Programs Manager must consider these factors when making an allowability determination. All costs must:

1. Be necessary and reasonable for the performance of the federal award as outlined in 7320P1;

2. Be allocable to the federal award. A cost is allocable to the federal award, if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. For example, if 50% of a teacher’s salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program;

3. Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the District;

4. Conform to any limitations or exclusions set forth as cost principles in 2 CFR Part 200 or in the terms and conditions of the federal award;

5. Consistent treatment. A cost cannot be assigned to a federal award, as a direct cost, if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award;

6. Be adequately documented. All expenditures must be properly documented;

7. Be determined in accordance with General Accepted Accounting Principles (GAAP), unless provided otherwise in Part 200;

8. Not be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.
9. Be the net of all applicable credits. The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the State relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate.

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

Helpful Questions for Determining Whether a Cost is Allowable

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

1. Is the proposed cost allowable under the relevant program?

2. Is the proposed cost consistent with an approved program plan and budget?

3. Is the proposed cost consistent with program specific fiscal rules? For example, the District may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possibly other federal) sources.

4. Is the proposed cost consistent with Education Department General Administrative Regulations (EDGAR)?

5. Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

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

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the Superintendent, Finance Director and appropriate federal programs personnel should review data when making purchases to ensure that federal funds to meet these areas of concern.
Legal Reference: 2 CFR §§ 200 et seq. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Funds.
2 CFR §§ 200 (Subparts E and F) Cost Principles, and Audit Requirements for Federal Awards
2 C.F.R. §200.404 Reasonable Costs
2 C.F.R. §200.405 Allocable Costs
2 C.F.R. §200.406 Applicable Credits
2 C.F.R. §§ 200.420-200.475 Considerations for Selected Items of Cost

Policy History:
Adopted on: 7/10/17
Revised on: 1/7/19
Determining Necessity and Reasonableness of Expenses

Federal grant funds may only be spent on costs which are necessary and reasonable for the performance of the federal award. District staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining the allowability of a cost under a federal program, the District shall comply with the following criteria:

1. Be necessary and reasonable for the performance of the Federal award and be allocable thereto under the following principles.

2. Conform to any limitations or exclusions set forth in the following principles or in the Federal award as to types or amount of cost items.

3. Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the District.

4. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

5. Be determined in accordance with generally accepted accounting principles (GAAP), except, as otherwise provided for in 2 C.F.R. Subpart E – Cost Principles.

6. Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also 2 C.F.R. § 200.306(b) Cost sharing or matching.


When determining reasonableness of a cost, consideration must be given to:

1. Whether the cost is a type generally recognized as ordinary and necessary for the operation of the District or the proper and efficient performance of the federal award;
2. The restraints or requirements imposed by factors, such as: sound business practices; arm’s-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the federal award;

3. Market prices for comparable goods or services for the geographic area;

4. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the District, its employees, its students, the public at large, and the federal government;

5. Whether the District significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award’s cost.

While the relevant federal administrative rule does not provide specific descriptions of what satisfies the “necessary” element beyond its inclusion in the reasonableness analysis above, “necessary” is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the District can demonstrate that the cost addresses an existing need, and can prove it. For example, the District may deem a language skills software program necessary for a limited English proficiency program.

When determining whether a cost is necessary, consideration may be given to:

1. Whether the cost is needed for the proper and efficient performance of the grant program;
2. Whether the cost is identified in the approved budget or application;
3. Whether there is an educational benefit associated with the cost;
4. Whether the cost aligns with identified needs based on results and findings from a needs assessment; and
5. Whether the cost addresses program goals and objectives and is based on program data;


Procedure History:
Promulgated on: 1/7/19
Revised on: 5/6/19
2 CFR Part 200 examines the allowability of 55 specific cost items (commonly referred to as Selected Items of Cost). These cost items are listed in the chart below along with the rule where the allowability of the item is discussed. Please do not assume that an item is allowable because it is specifically listed in the regulation, as it may be unallowable despite its inclusion in the selected items of cost section. The expenditure may be unallowable for a number of reasons, including:

1. The express language of the regulation states the item is unallowable;
2. The terms and conditions of the grant deem the item unallowable; or
3. State/local restrictions dictate that the item is unallowable.

The item may also be unallowable because it does not meet one of the cost principles, such as being reasonable because it is considered too expensive. If an item is unallowable for any of these reasons, federal funds cannot be used to purchase it.

District personnel responsible for spending federal grant funds and for determining allowability shall be familiar with the Part 200 selected items of cost section. The Superintendent or designee shall follow these rules when charging these specific expenditures to a federal grant. When applicable, the Superintendent or designee shall check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, District and program-specific rules may deem a cost unallowable, and District personnel shall follow those non-federal rules as well.

The selected item of cost addressed in Part 200 includes the following (in alphabetical order):

<table>
<thead>
<tr>
<th>Item of Cost</th>
<th>Citation of Allowability Rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising and public relations costs</td>
<td>2 CFR § 200.421</td>
</tr>
<tr>
<td>Advisory councils</td>
<td>2 CFR § 200.422</td>
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<td>Alcoholic beverages</td>
<td>2 CFR § 200.423</td>
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<tr>
<td>Alumni/ae activities</td>
<td>2 CFR § 200.424</td>
</tr>
<tr>
<td>Audit services</td>
<td>2 CFR § 200.425</td>
</tr>
<tr>
<td>Bad debts</td>
<td>2 CFR § 200.426</td>
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<tr>
<td>Bonding costs</td>
<td>2 CFR § 200.427</td>
</tr>
<tr>
<td>Costs Description</td>
<td>CFR §</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
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<tr>
<td>Collection of improper payments</td>
<td>200.428</td>
</tr>
<tr>
<td>Commencement and convocation costs</td>
<td>200.429</td>
</tr>
<tr>
<td>Compensation – personal services</td>
<td>200.430</td>
</tr>
<tr>
<td>Compensation – fringe benefits</td>
<td>200.431</td>
</tr>
<tr>
<td>Conferences</td>
<td>200.432</td>
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<tr>
<td>Contingency provisions</td>
<td>200.433</td>
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<td>Contributions and donations</td>
<td>200.434</td>
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<tr>
<td>Defense and prosecution of criminal and civil proceedings, claims, appeals, and patent infringements</td>
<td>200.435</td>
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<tr>
<td>Depreciation</td>
<td>200.436</td>
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<tr>
<td>Employee health and welfare costs</td>
<td>200.437</td>
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<td>Entertainment costs</td>
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<tr>
<td>Equipment and other capital expenditures</td>
<td>200.439</td>
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<tr>
<td>Exchange rates</td>
<td>200.440</td>
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<tr>
<td>Fines, penalties, damages, and other settlements</td>
<td>200.441</td>
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<tr>
<td>Fund raising and investment management costs</td>
<td>200.442</td>
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<tr>
<td>Gains and losses on disposition of depreciable assets</td>
<td>200.443</td>
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<tr>
<td>General costs of government</td>
<td>200.444</td>
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<tr>
<td>Goods and services for personal use</td>
<td>200.445</td>
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<tr>
<td>Idle facilities and idle capacity</td>
<td>200.446</td>
</tr>
<tr>
<td>Insurance and indemnification</td>
<td>200.447</td>
</tr>
<tr>
<td>Intellectual property</td>
<td>200.448</td>
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<tr>
<td>Interest</td>
<td>200.449</td>
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<tr>
<td>Lobbying</td>
<td>200.450</td>
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<tr>
<td>Losses on other awards or contracts</td>
<td>200.451</td>
</tr>
<tr>
<td>Maintenance and repair costs</td>
<td>200.452</td>
</tr>
<tr>
<td>Cost Category</td>
<td>CFR Section</td>
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<tr>
<td>------------------------------------------------------------</td>
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<tr>
<td>Materials and supplies costs, including costs of computing devices</td>
<td>2 CFR § 200.453</td>
</tr>
<tr>
<td>Memberships, subscriptions, and professional activity costs</td>
<td>2 CFR § 200.454</td>
</tr>
<tr>
<td>Organization costs</td>
<td>2 CFR § 200.455</td>
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<tr>
<td>Participant support costs</td>
<td>2 CFR § 200.456</td>
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<tr>
<td>Plant and security costs</td>
<td>2 CFR § 200.457</td>
</tr>
<tr>
<td>Pre-award costs</td>
<td>2 CFR § 200.458</td>
</tr>
<tr>
<td>Professional services costs</td>
<td>2 CFR § 200.459</td>
</tr>
<tr>
<td>Proposal costs</td>
<td>2 CFR § 200.460</td>
</tr>
<tr>
<td>Publication and printing costs</td>
<td>2 CFR § 200.461</td>
</tr>
<tr>
<td>Rearrangement and reconversion costs</td>
<td>2 CFR § 200.462</td>
</tr>
<tr>
<td>Recruiting costs</td>
<td>2 CFR § 200.463</td>
</tr>
<tr>
<td>Relocation costs of employees</td>
<td>2 CFR § 200.464</td>
</tr>
<tr>
<td>Rental costs of real property and equipment</td>
<td>2 CFR § 200.465</td>
</tr>
<tr>
<td>Scholarships and student aid costs</td>
<td>2 CFR § 200.466</td>
</tr>
<tr>
<td>Selling and marketing costs</td>
<td>2 CFR § 200.467</td>
</tr>
<tr>
<td>Specialized service facilities</td>
<td>2 CFR § 200.468</td>
</tr>
<tr>
<td>Student activity costs</td>
<td>2 CFR § 200.469</td>
</tr>
<tr>
<td>Taxes (including Value Added Tax)</td>
<td>2 CFR § 200.470</td>
</tr>
<tr>
<td>Termination costs</td>
<td>2 CFR § 200.471</td>
</tr>
<tr>
<td>Training and education costs</td>
<td>2 CFR § 200.472</td>
</tr>
<tr>
<td>Transportation costs</td>
<td>2 CFR § 200.473</td>
</tr>
<tr>
<td>Travel costs</td>
<td>2 CFR § 200.474</td>
</tr>
<tr>
<td>Trustees</td>
<td>2 CFR § 200.475</td>
</tr>
</tbody>
</table>

Likewise, it is possible for the State and/or District to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be
allowable. Accordingly, District staff shall consult federal, State, and District requirements when spending federal funds.

In order for a cost to be allowable, the expenditure must also be allowable under the applicable program statute and accompanying program regulations, non-regulatory guidance, and grant award notifications.

Procedure History:
Promulgated on: 1/7/19
Revised on: 5/6/19
Fundraising for Schools by External Entities

Fundraisers operated by an external entity that benefit the District, its schools, or District-operated programs must clearly state on all fundraising material that such fundraisers are operated by the external entity. The external entity must remove any language on fundraising materials that creates a reasonable expectation in its donors that the individual donor is giving directly to the District, its schools or a District-operated program. No external entity fundraising for the District, its schools, or District-operated programs may state that donations are tax-exempt under the District’s tax exemption status, unless the individual donors seeking the tax exemption make the donation directly to the school Assistant Treasurer or District Treasurer or designee. The Superintendent or designee retains the authority to request an external entity remove all references to the school, District, or District-run program on fundraiser materials.

Cross Reference: 4500 Public Gifts Donations to Schools
4500F Donation Form
4510 Equipment Affecting Building Structure or Maintenance
4520 Soliciting and Accepting Grants or Donations

Policy History:
Adopted on: 1/8/18
Revised on: 4/2/18
Procurement Management System

Authorization and Control

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

The Superintendent or designee is authorized to direct expenditures and purchases within the limits of the detailed annual budget for the school year and pursuant to state purchasing and federal procurement requirements. Board approval for purchase of capital outlay items is required when the aggregate total of a requisition exceeds $50,000, except the Superintendent or designee shall have the authority to make capital outlay purchases without advance approval when it is necessary to protect the interests of the District or the health and safety of the staff or students. For purchases where the aggregate total of a requisition is between $25,000 and $50,000, the superintendent or designee will report the purchase to the Board on the consent agenda as information at the next regular board meeting. The Superintendent or designee shall establish requisition and purchase order procedures as a means of controlling and maintaining proper accounting of the expenditure of funds that align with state purchasing and federal procurement requirements. Staff members shall not obligate the District without express authority. Staff members who obligate the District without proper authorization may be held personally responsible for payment of such obligations.

Bids and Contracts

For micro-purchases up to $3,000, purchases may be awarded without soliciting competitive bids, if the District considers the price to be reasonable. The District shall maintain evidence of this reasonableness in the records of all micro-purchases. If small purchases are between $3,000 and $50,000 in cost, the District shall use price or rate quotations obtained from an adequate number of qualified sources and maintain quotations in purchasing records.

With the exception of the purchase of curricular materials, and in accordance with the requirements of Idaho Code, whenever the cost of any construction, repair, or improvement; or the acquisition, purchase, or repair of any equipment; or other personal property necessary for the effective operation of the District exceeds $50,000, but does not exceed $100,000, bids shall be called for by issuing written request to at least three vendors, as specified in statute, as well as following federal procurement requirements. Specifications shall be prepared and be made available to all vendors interested in submitting a bid. The contract shall be awarded to the lowest responsible bidder, except that the Board may reject any bid, reject all bids, or publish notice to rebid the project. If after calling for bids a second time, no satisfactory bid is received, the Board may proceed under its own direction, subject to the approval of the State Board of Education.
For expenditures exceeding $100,000, bids shall be called for by issuing public notice, as specified in statute, as well as, following federal procurement requirements. Specifications shall be published in the official newspaper of the District at least two weeks before the opening date, with the second notice to be published in the succeeding week at least seven days before the date that bids are scheduled to be opened. Copies of specifications, bid forms, bidder’s instructions, contract documents and general and special instructions shall be made available upon request by any interested bidder.

When purchasing good and services pursuant to Idaho Code, and determining the most qualified bidder for award of the contract, the District, at its sole discretion, may consider not only the amount of the bids, but may also consider additional factors including, but not limited to, the relative experience, ability, references, and integrity of the bidders to do faithful and conscientious work and promptly fulfill the contract according to contract requirements.

The Superintendent or designee shall establish bidding and contract awarding procedures that align with state purchasing and federal procurement requirements.

Sealed Bids (Formal Advertising)

For purchases over $150,000, bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all of the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

1. A complete, adequate, and realistic specification or purchase description is available;
2. Two or more responsible bidders are willing and able to compete effectively for the business; and
3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

1. Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
3. All bids will be opened at the time and place prescribed in the invitation for bids.
4. A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.
Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound, documented reason.

**Personnel Conflicts of Interest**

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

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

1. The interested employee, the business, the contractor, or the vendor will fully disclose, in writing, the employee’s exact relationship to the business, the contractor, or the vendor;

2. The affected business, the contractor, or the vendor may submit a bid in compliance with the specifications outlined by the District;

3. The interested employee will not be involved in any part of the bidding process, including but not limited to, preparing specifications, advertising, analyzing, or accepting bids; and

4. This policy will apply to any organization, fund, agency, or other activity maintained or operated by the District.

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

**Cross Reference:**

7400P Procurement Under a Federal Award
7407 Public Procurement of Goods and Services

**Legal Reference:**

I.C. § 33-601 Real and Personal Property – Acquisition, Use or Disposal of Same.
I.C. § 33-402 Notice Requirements
I.C. § 33-316 Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials
I.C. § 18-1351 Bribery and Corrupt Practices – Definitions
I.C. §74-401 et seq. Ethics in Government
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
I.C. § 67-2805  Procurement of Public Works Construction
2 C.F.R. § 180.220  Are Any Procurement Contracts Included as Covered Transactions?

Policy History:
Adopted on: 7/10/17
Revised on: 12/4/17, 4/30/18, 7/2/18, 1/7/19
Federal Award Requirements

In addition to its other policies and procedures regarding procurement, the District shall adhere to the following requirements when making procurements under a federal award. The District shall:

1. Ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be produced, and set forth those minimum essential characteristics and standards to which the material, product, or service must conform. The District will identify all requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals.

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

3. Provide a written method for conducting technical evaluations of the proposals received and for selecting recipients, including factors considered for the evaluation; who performs the evaluation, the number of evaluations performed, the timeframe for conducting any evaluations, and the selection of a vendor and whether another positions reviews the evaluation.

4. Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

5. Avoid acquiring unnecessary or duplicative items;

6. Consider consolidating procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.

7. Maintain a list of prequalified person, firms, or products which are used in acquiring goods and services and include enough qualified sources to ensure maximum open and free competition.

8. Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
9. Maintain records sufficient to detail the history of procurement. These records will include:

   A. Rationale for the method of procurement;
   B. Selection of contract type;
   C. Contractor selection or rejection; and
   D. The basis for the contract price.

10. The use of a time and materials type contract is prohibited unless the District determines that no other contract is suitable. Time and materials type contract means a contract whose cost to a District is the sum of:

   A. The actual cost of materials; and
   B. The direct labor hours charged at an hourly rates that reflect wages, general and administrative expenses, and profit.

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

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


Procedure History:
Promulgated on: 7/10/17
Revised on: 5/6/19
Payment for Goods and Services

The purchase of materials and supplies used by the District and charged against District funds will be authorized through a system of purchase orders or requisitions signed by authorized personnel, except special procedures for credit card purchases. No cash purchases are authorized with the exception of purchases addressed in Policy 7420.

Bills or invoices for payment of goods or services will be submitted to the District Office, along with supporting purchase orders, other documentation and a signature by the budget administrator or designee approving payment of the invoice. When the bills or invoices are received by that office, they will be reviewed by appropriate administrative personnel.

Verified bills will be processed for payment by attaching information related to the budget account. The bills will be reviewed by appropriate administrative personnel and reported to the Board at their next regularly scheduled meeting.

All bills will be accepted, certified for payment, and paid within sixty (60) calendar days of receipt of bill, unless a contract specifies another payment arrangement.

Legal Reference: I.C. § 67-2302 Ethics in Government

Policy History:
Adopted on: 7/10/17
Revised on:
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT 7402

Issuance of Checks

Authority to Pay

The Board grants authority to the Superintendent or designee to pay claims accruing against the District during periods between Board meetings, the payment of such claims being necessary to the proper conduct of the schools. It is understood that claims shall be prepared in the regular manner and checks issued in payment therefore upon certification of delivery of merchandise, completion of services, and/or contractual obligations as authorized by the Board, and to be signed by the Board Chair and treasurer in the usual manner.

Disbursements

No disbursement will be approved unless sufficient funds are available. Payments must be made to a specific person, company, or organization. No checks will be made payable to “cash.” District checks will not be pre-signed. All disbursements must be documented by original invoices, sales slips, or register tapes with explanations provided.

Monthly Vendor Report

A summary of all bills paid will be submitted to the Board each month for ratification. At a minimum, the report will give the name of the vendor and the total amount paid to that vendor each month.

Advance Payments

Advance payments for goods and services may be authorized at the discretion of the Superintendent or designee. A written request for an advance stating the amount needed and the purpose of the advance must be submitted. When the activity is complete, the sponsor must submit a report of all expenditures with the appropriate itemized receipts or sales slips. Any unused funds will be returned immediately.

Legal Reference: I.C. § 33-701 Fiscal Year

Policy History:
Adopted on: 7/10/17
Revised on:
Cancellation of Checks

Any check issued by the District will be voided when:

1. It has been reported as lost or stolen; or
2. It has been returned by the payee for some reason; or
3. The check was issued more than 2 years ago and has not been presented for payment.

If the voided check is not returned to the District, it may be replaced with a new check, provided a “stop payment” order is filed with the bank from which the check is drawn. The stop payment charge may be deducted from the replacement check amount.

Legal Reference: I.C. § 33-704  Warrants Not Presented Within Two Years Void

Policy History:
Adopted on: 7/10/17
Revised on:
Lease/Purchase Agreements

This Board may enter into lease-purchase agreements for goods, equipment, buses, or portable classrooms, provided the written agreement meets the following requirements:

1. The annual lease payments will reflect reasonable compensation for use;
2. No penalty will be imposed on the District for proper cancellation of the lease;
3. The right to exercise the option to purchase will be at the sole discretion of the District; and
4. The cost of purchase will not exceed the reasonable value of the goods, equipment, buses, or portable classrooms at the time the option to purchase is exercised.


Policy History:
Adopted on: 7/10/17
Revised on:
Public Procurement of Goods and Services

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

The Board may enter into personal service contracts when determined to be in the best interest of the District, to carry out its responsibilities and duties in governing the District and accomplishing the District’s educational goals and objectives.

The Superintendent or designee is hereby delegated limited authority to enter into contracts of one year or less in duration and less than $50,000 in value. This includes contracts or agreements that support previously Board approved projects, i.e., construction projects. Contracts or agreements longer than 1 year or more than $50,000 in value shall be approved by the Board of Trustees at the next scheduled meeting as a part of the Consent Agenda. Contracts or agreements entered into by the Superintendent or designee where the value is between $25,000 and $50,000 shall be reported to the Board on the consent agenda as information at the next regular board meeting.

An exception: The Superintendent or designee is authorized to enter into agreements with private service providers for services identified on a student’s IEP or 504 plan, or for other education services as needed by the District. In no event shall such agreement exceed twelve (12) calendar months. Any agreement signed by the Superintendent or designee with private service providers, pursuant to this policy, shall set forth the terms of the agreement, the relationship of the parties, the services to be provided, provisions for record keeping and confidentiality of records, the billing procedures, as well as other terms that are deemed to be necessary. The Board will be notified on the consent agenda, at the next regular Board meeting.

No private service providers hired under this policy shall be considered employees of the District. Further, all private service providers, and their employees, shall be fully qualified for the services for which the agreement specifies.

| $0 to $50,000 | No bidding requirements | IC 67-2803 (2) |
| $50,000 to $100,000 | Semi-formal bidding: Physically or electronically issue written requests for bids describing goods or services desired to at least three (3) vendors. Allow three (3) days for written response, unless an emergency exists; One (1) day for objections. Keep records for six (6) months. Accept low bid, or reject all bids. | IC 67-2806 (1) |
| $100,000 and above | Formal bidding: Publish bid notice at least two (2) weeks in advance of bid opening. The first notice must be published at least two (2) weeks before the date for opening bids, with the second notice to be published in the | IC 67-2806 (2) |
succeeding week at least seven (7) days before the date that bids are scheduled to be opened. Make bid specifications, bid forms, bidder's instructions, contract documents, and general and special instructions available; written objections allowed. The Board clerk must receive any written objections to specifications or bid procedures at least three (3) business days before the date and time the bids are due to be received. May request bid security/bond in an amount equal to at least five percent (5%) of the amount bid. Can reject all if able to purchase more economically in the open market.

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

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Property</td>
<td>Already competitive bid (piggy-banking)</td>
<td>IC 67-2803 (1)</td>
</tr>
<tr>
<td>Less than $50,000</td>
<td>Contracts or purchases of goods or services</td>
<td>IC 67-2803 (2)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Payments of Wages</td>
<td>IC 67-2803 (3)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Personal or professional services performed by an independent contractor</td>
<td>IC 67-2803 (4)</td>
</tr>
<tr>
<td></td>
<td>(Refer to info on qualifications in IC 67-2320)</td>
<td></td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of an interest in real property – lease or purchase</td>
<td>IC 67-2803 (5)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of insurance</td>
<td>IC 67-2803 (6)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Costs of Joint Powers participation</td>
<td>IC 67-2803 (7)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of used personal property</td>
<td>IC 67-2803(8)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement from federal government general services administration (GSA) schedules or federal multiple award schedules (MAS)</td>
<td>IC 67-2803(9)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of personal property or services through contracts entered into by the division of purchasing of the department of administration of the state of Idaho</td>
<td>IC 67-2803(10)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of goods for direct resale</td>
<td>IC 67-2803(11)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of travel and training;</td>
<td>IC 67-2803(12)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of goods and services from Idaho correctional industries</td>
<td>IC 67-2803(13)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of repair for heavy equipment</td>
<td>IC 67-2803(14)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of software maintenance, support and licenses of an existing system or platform that was bid in compliance with state law</td>
<td>IC 67-2803(15)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of public utilities</td>
<td>IC 67-2803(16)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of food for use in jails or detention facilities</td>
<td>IC 67-2803(17)</td>
</tr>
<tr>
<td>Any Amount</td>
<td>Procurement of used equipment at an auction if authorized by the governing board</td>
<td>IC 67-2803(18)</td>
</tr>
</tbody>
</table>
Any Amount  Cooperative Purchasing  IC 67-2807
Any Amount  Emergency Expenditures  IC 67-2808 (1)

The Board or designee will respond to any objection described in the bidding process above in writing and communicate such response to all prospective bidders, adjusting bidding timeframes if necessary.

If two or more bids are the same and both constitute the lowest responsive bids, the Board may accept the one it chooses.

The District must publish, within fifteen (15) days of entering into any personal service contract, the parties, amount, and a one-sentence purpose for all personal service contracts over ten thousand dollars ($10,000) annual payment, regardless of the fund the contract monies are derived from. The publication must be in a newspaper of general circulation within the geographical area wherein such personal service is to be performed.

Legal Reference:  I.C. § 33-506 Organization and Government of Board of Trustees
I.C. § 33-601 Real and Personal Property—Acquisition, Use or Disposal of Same
I.C. § 54-1904B Relief from Bids
I.C. § 54-1904C Grounds for Relief
I.C. § 59-514 Publication of Contractee, Amount and Purpose of Personal Service Contracts—Definition
I.C. § 59-1026 Willful and Knowing Avoidance of Competitive Bidding and Procurement Statutes—Civil Penalties
I.C. § 67-2309 Written Plans and Specifications for Work to be Made by Officials--Availability
I.C. § 67-2801 et seq. Purchasing by Political Subdivisions
I.C. § 67-5716 Definitions

Policy History:
Adopted on:  7/10/17
Revised on:  9/11/17, 12/4/17, 7/2/18, 9/9/19
Bidding Process

When possible, the District shall purchase goods and services from vendors with a significant Idaho economic presence.

Service Contracts Valued in Excess of $50,000

When the Board contemplates entering into a service contract for other than professional or personal services, valued in excess of fifty thousand dollars ($50,000), an open competitive sealed bid process will be utilized.

The written request for bids, and notices thereof, will succinctly describe the services to be provided and set a date, time, and place for the opening of bids.

If the Board requires bidders to provide bid security, a bid will not be considered unless one (1) of the forms of bidder’s security is enclosed with it. The Board may require that the bid security be in one of the following forms:

1. A cashier’s check payable to the district;
2. A certified check payable to the district; or
3. A bidder’s bond executed by a qualified surety company, payable to the district.

Sealed bids will be opened in public at the date, time, and place specified in the notice, thereafter to be compiled and submitted to the Board. Any bid received by the Board may not be withdrawn after the time set in the notice for opening of bids.

If the Board chooses to award the contract to a bidder other than the apparent low bidder, the Board will declare its reason(s) on the record and communicate such reason(s) in writing to all who have submitted a competing bid.

If the successful bidder fails to execute the contract, the amount of his bidder’s security may be forfeited to the District at the sole discretion of the Board. On the refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest qualified bidder.

If the Board awards the contract to the next lowest qualified bidder, the amount of the lowest qualified bidder’s security may be applied by the Board to the difference between the lowest responsive bid and the next lowest responsive bid, and the surplus, if any, shall be returned to the lowest bidder if cash or check is used, or to the surety on the bidder’s bond if a bond is used, less reasonable administrative costs not to exceed twenty-five percent (25%) of the amount of the bidder’s security.

If any participating bidder objects to the award of a contract, such bidder must submit a written response to the Board’s notice within seven (7) calendar days of the date of transmittal of the
notice, setting forth in such response the express reason(s) that the award decision of the Board is in error. Thereafter, staying performance of any procurement until after addressing the contentions raised by the objecting bidder, the Board will review its decision and determine whether to affirm or modify the award, or re-bid the contract, setting forth its reason(s) therefor. After completion of the review process, the Board may proceed as it deems to be in the public interest.

Contracts with Certain Public Works Construction Professionals

The Board may negotiate contracts or agreements for professional engineering, architectural, landscape architectural, construction management, and professional land surveying services on the basis of demonstrated competence and qualifications for the type of services required at fair and reasonable prices, utilizing the following process:

1. The Board will follow the statutory guidelines in the securing of all contracts for professional engineering, architectural, landscape architectural, construction management, and land surveying services. If it is anticipated that the total service fee will exceed fifty thousand dollars ($50,000):

   A. Publish public notice in the same manner as required for bidding of public works construction projects when soliciting proposals for engineering, architectural, landscape architectural, construction management, or land surveying services;

   B. Encourage persons or firms engaged in the services being solicited to submit statements of qualifications and performance data;

   C. Establish and make available to the public criteria and procedures used for the selection of qualified persons or firms to perform such services;

   D. Select the persons or firms whom the Board determined to be best qualified to provide the required services, ranked in order of preference, pursuant to the District’s established criteria and procedures;

   E. 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 public after considering the estimated value, scope, complexity, and nature of the services; and

   F. When unable to negotiate a satisfactory contract or agreement, formally terminate negotiations and undertake negotiations, following the procedure described in subsection e, above, with the next highest ranked person or firm, until a contract or agreement is reached.

2. In fulfilling the selection requirements, the Board or its designee may limit its selection to a list of three (3) persons or firms selected and preapproved for consideration by the
Board. This preapproved list shall be established in the same manner as selection of an individual contractor. No further publication is then required.

3. The Board may request information concerning a person’s or firm’s rates, overhead, and multipliers, if any, but such information shall not be used for the purpose of ranking in order of preference as required in subsections a through f, above.

4. If the anticipated expenditure for these services is less than fifty thousand dollars ($50,000), the Board will use the guidelines above, or establish other guidelines for selection based on demonstrated competence and qualifications to perform the type of services required, followed by negotiation of the fee at a price determined by the district to be fair and reasonable after considering the estimated value, the scope, the complexity, and the nature of the services.

5. 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 that person or firm. Associated or phased projects are planned construction projects comprised of developmental stages that are interrelated but individually functional.

Emergency Situations

If there is a great public calamity, such as an extraordinary fire, flood, storm, epidemic, or other disaster, or if it is necessary to do emergency work to prepare for national or local defense, or it is necessary to do emergency work to safeguard life, health or property, the Board may pass a resolution declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health or property. Upon adoption of the resolution, the Board may expend any sum required in the emergency without compliance with the bidding requirements.

Procedure History:
Promulgated on: 7/10/17
Revised on: 7/2/18
Supplemental Bidding Procedure

When possible, the District shall purchase goods and services from vendors with a significant Idaho economic presence.

Before entering into a contract which requires competitive bidding, the Board will utilize the following supplemental procedures.

Preparation of Request for Proposal

A Request for Proposal (RFP) setting forth the specific needs and requirements for the construction, repair, or improvement of real property, purchase of services, or purchase or repair of any equipment or other personal property for which the bid is sought will be drafted and approved by the Board or its designee. A rating sheet setting forth the weight, calculated as a percentage, to be given each of the elements in the RFP will be included in the RFP.

In those instances when the District issues an RFP for the construction, repair, or improvement of public works, public buildings, public places, or other work, the following will be provided:

1. Written plans and/or specifications of the work to be performed or materials furnished will be available for review by all interested and prospective bidders.

2. The plans and/or specifications, when applicable, will include the number, size, kind, and quality of materials and service required for the contract.

3. The plans and/or specifications shall not specify or provide the use of any articles of a specific brand or mark, or any patented apparatus or appliances when other materials are available for such purposes and when such requirements would prevent competitive bidding.

Review of Bids

All bids received will be date and time stamped to ensure they were received prior to the bid closing. All bids received after the bid closing will be returned, unopened, to the bidder and will not be considered for award of the contract. After the bid closing, at the time and place stated in the advertisement for bids, bids will be opened, recorded, and made available for inspection. Any interested person may attend the bid opening.

Only those bids submitted by bidders with a current Idaho public works license at the time of bid closing will be considered unless exempted under Idaho Code Sections 67-2804(1) and 67-2805(1).
The Superintendent or designee may appoint an individual or panel, with appropriate expertise, to review and evaluate, pursuant to the rating sheet, all accepted bids. The rating sheet will designate the weight, calculated as a percentage, to be attached to each element set forth in the RFP, which will be applied by the reviewing panel in evaluating each bid.

Award of the Contract

Based on the rating of the bids, the Superintendent or designee will make a recommendation to the Board at the next regularly scheduled Board meeting after the rating has been completed unless it is determined a special Board meeting to review the bids is appropriate.

Once the lowest responsible bidder is determined by the Board, the District will enter into a contract and the terms set forth in the RFP and the successful bid response shall be incorporated into therein. Written contracts shall be prepared for all major construction and repair projects, signed by the Board Chair on behalf of the District.

Bidding Relief

In the event a bidder made a mistake on a bid, this District will determine if the bidder is entitled to relief from the bid. Bidders will be granted relief from the bid if the bidder establishes to the satisfaction of the District that the following occurred:

1. A clerical or mathematical mistake was made;
2. The bidder gave this District written notice within five (5) calendar days after the opening of the bid of the mistake, specifying in the notice in detail how the mistake occurred; and
3. The mistake was material.

The District will document the receipt of the request for relief, its review of the bid, and any action taken by the District. The report will be filed with the Superintendent or designee and will be available for inspection as a public record.

In the event the District determines that relief is to be granted as set forth above, it will return any bid security filed with the District or agent thereof. Bidders who did not satisfy the conditions for relief shall forfeit any bid security. Additionally, any bidders failing to execute a contract, and not satisfying the conditions of a mistake shall forfeit any bid security.

Any bidder claiming a mistake or who forfeits a bid security is prohibited from participating in any re-bidding of the same project on which the mistake was claimed, or security forfeited.

Prohibition Against Bid Splitting

Neither this District, nor any of its employees, will split or separate purchases or work projects for the purpose of evading any laws of the State of Idaho, which require competitive bidding.
Procedure History:
Promulgated on: 7/10/17
Revised on:
SALE OF PERSONAL PROPERTY POLICY

The Board, by deed, bill of sale, or other appropriate instrument, may convey all of the estate and interest of the District in any personal property. All personal property of the District must be sold for cash and title to such property will transfer to the purchaser simultaneous with payment.

The Board will determine the estimated value of personal property through normal business practices, including, but not limited to, the use of an appraisal, if required, reference to valuation tables such as the NAPA blue book, or any other reasonable means.

PROPERTY VALUED AT LESS THAN $1,000

The Board may sell personal property, with an estimated value of less than one thousand dollars ($1,000), without appraisal, by sealed bid or at public auction, provided that there has been a minimum of one (1) published advertisement at least one week prior to the sale of said property. If the estimated value of the property is less than five hundred dollars ($500), as estimated by the administration, the property may be disposed of in the most cost-effective and expedient manner by the superintendent or designee, provided the Board is notified prior to disposal of said property.

PROPERTY VALUED AT $1,000 OR MORE

The sale of personal property, with an estimated value of one thousand dollars ($1,000) or greater, will be appraised and sold at public auction or by sealed bids, at the discretion of the Board, to the highest bidder. Notice of the sale and conditions thereof, must be published twice, in accordance with Idaho Code Section 33-402(2) and (3).

The Board may accept the highest bid, may reject any bid, or reject all bids.

EXCHANGE OF PERSONAL PROPERTY

The Board may exchange the district’s personal property for other property. Prior to any transfer or conveyance, the value of the personal property will be established by an appraisal conducted by a State of Idaho certified appraiser. The Board will retain the appraiser and will document the appraisal results in the board’s records. The Board of Trustees may elect to abstain from an appraisal of the personal property, if the estimated value of such property is less than five thousand dollars (5,000.00).
The Board may, by a vote of one-half (1/2) plus one (1) of the members of the full Board, by resolution duly adopted, authorize the transfer or conveyance of any personal property owned by the District to the government of the United States, State of Idaho, the Idaho housing and finance associations, or any city, county, hospital district, cooperative service agency, other school district, public charter school, library district, community college district, or recreation district, with or without any consideration accruing to the District, when in the judgment of the Board it is in the interest of the district that said transfer or conveyance be made.

The Board will follow the procedures set forth in the Purchasing policy set forth in SECTION7000: FINANCIAL MANAGEMENT of the manual when acquiring, purchasing, or repairing any equipment or other personal property necessary for the operation of the District.

Legal Reference: Idaho Code Sections: 33-601(4), 33-402(2) and (3)

Policy History:
Adopted on: 5/7/18
Revised on:
Petty Cash Funds

Petty cash funds may be established to expedite the purchase of minor items and/or provide immediate payment for minor services. Schools or departments must receive prior approval from the Superintendent or designee to set up a petty cash fund. The use of petty cash funds shall be authorized for specific purchases only. Those purchases will include individual purchases of supplies and materials under the amount of fifty dollars ($50), postage, delivery charges, and freight. Individual personal reimbursements which exceed fifty dollars ($50) should not be made from petty cash funds. Petty cash accounts will be maintained as cash on hand, and the total dollar amount of each petty cash account will be limited to $200 for secondary schools and $100 for elementary schools, school offices and departments, and special programs. After a budget item is exhausted, no expenditures against the item may be made from petty cash.

Each administrator of a school or department with a petty cash fund account may appoint and designate a fund custodian to carry out the bookkeeping and security duties. Expenditures against these funds must be itemized and documented with original itemized receipts, and will be charged to the applicable budget code. Monies which are not specifically petty cash monies shall not be co-mingled with the petty cash fund. At the conclusion of each school year, all petty cash funds must be deposited to the appropriate bank account, and a report reconciling petty cash must be turned into the business office.

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

Policy History:
Adopted on: 7/10/17
Revised on:
Personal Reimbursements

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

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

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

Policy History:
Adopted on: 7/10/17
Revised on:
Travel Allowances and Expenses

Every District employee and Board Member will be reimbursed for travel expenses while traveling outside of the District and engaged in approved official District business. All travel expenses must be reported on the District approved travel expense reimbursement process outlined in District finance procedures. For employees, approval must be granted prior to traveling by the employee's supervisor and the Superintendent or designee.

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

Types of Travel

**In District Expenses:** District employees and Board Members shall be reimbursed for actual and necessary pre-approved expenses incurred within the District while attending to District business. Actual mileage driven for pre-approved travel between district buildings and meeting sites shall be reimbursed. Travel to and from the employee’s or Board Member’s place of residence is not reimbursable. It is the responsibility of the Board to review travel within the District by the Superintendent or by Board Members.

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

**Out of District Travel:** Travel outside of the District must be pre-approved. Employees shall obtain prior approval from their supervisor and the Superintendent or designee prior to incurring out of District travel expenses.

District employees and Board Members shall be reimbursed for actual and necessary expenditures incurred outside the District as detailed in District finance procedures.

Documentation of Expenses

Expenses not in compliance with this policy or finance procedures pertaining to travel shall require special authorization from the Superintendent or designee prior to reimbursement.

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

Travel Costs Under Federal Award

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

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

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

Temporary dependent care costs above and beyond regular dependent care that directly results from travel to conferences are unallowable for reimbursement.

Travel costs for dependents are unallowable, except for travel of duration of six months or more with prior approval of the federal awarding agency.

**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 on: 7/10/17
Revised on: 5/6/19
Travel Allowances and Expenses

Transportation

Mileage: Reimbursement will be at the Internal Revenue Service rate, set for each fiscal year at July 1. If it is more cost effective to fly rather than drive, and the employee still chooses to drive, a special rate listed in finance procedure will be reimbursed in lieu of the IRS rate.

Air Fare: Reimbursement will be limited to coach fare only. Upgrades for assigned seating is not an allowable expense. Airline tickets should be booked as early as possible to assure the best possible ticket rates. Reimbursement shall be contingent upon transmittal of receipts or ticket coupons with an expense reimbursement claim.

Rail and Bus: Reimbursement will be limited to standard coach fare. Reimbursement shall be contingent upon transmittal of receipts or ticket stubs with an expense reimbursement claim.

Car Rental: Reimbursement will be made only upon pre-approval of car rental by purchase order. Reimbursement shall be contingent upon transmittal of a car rental receipt with an expense reimbursement claim. Optional upgrades must receive prior approval. Gasoline refill charges by the car rental vendor will not be reimbursed. If a traveler or the district is charged for gasoline refill by the rental car company, the employee is liable for the difference between the current local gas price per gallon and the price per gallon charged by the rental car company.

Lodging: Reimbursement will be made for official travelers only. If arrival is earlier or departure later than necessary for the specific travel assignment, the additional cost will not be reimbursed except under unusual circumstances. Reimbursement shall be contingent upon transmittal of a lodging receipt with an expense reimbursement claim.

Meals: Reimbursement rates will be determined by the Superintendent or his or her designee.

Ground Transportation (Taxi, limousine, buses, tolls): Reimbursement will be made only for travel to and from airports, and to and from the site of lodging if other than the meeting site. Receipts shall be required. Reimbursement shall be contingent upon transmittal of receipts with an expense reimbursement claim.

Parking: Reimbursement shall be contingent upon transmittal of receipts with an expense reimbursement claim.

Telephone: Reimbursement will be made only for telephone calls related to the official purpose of the travel.
Incidentals (Laundry, entertainment, liquor, hotel room bottled water, newspapers, toiletries): Reimbursement will not be made for incidentals.

Registration: Reimbursement shall be contingent upon transmittal of receipts with an expense reimbursement claim.

Questions or decisions involving unusual or substantial expenditures must be reviewed and approved in advance by the Superintendent or designee.

Procedure History:
Promulgated on: 7/10/17
Revised on:
District Credit Cards

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

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

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

Credit Card Users

Credit card users must take proper care of the credit card(s) and take all reasonable precautions against damage, loss, or theft. Any damage, loss, or theft must be reported immediately to the Business Office and to the appropriate financial institution. Failure to take proper care of credit cards or failure to report damage, loss, or theft may subject the employee to financial liability.

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

Return of Credit Card

A District employee who is no longer employed by the District shall return the credit card upon termination to the Superintendent no later than five (5) calendar days after termination.

Acceptable Use

Use of any District credit card requires prior approval of the Superintendent or designee and shall be limited to the following:

1. Transactions with vendors that refuse to directly accept purchase orders or District checks;
2. Transactions with vendors that require electronic payment for products or services;
3. Transactions wherein use of a credit card will provide significant cost savings to the District; and
4. Authorized transactions for routine purchases that have been deemed burdensome to handle through the regular purchase order process.

**Misuse and/or Unauthorized Use**

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

**Additional Procedures**

The Superintendent or designee 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.

All invoices associated with the purchasing cards and/or the credit cards will be paid in full each month to avoid any assessment of interest.

**Legal Reference:** I.C. § 18-5701 Misuse of Public Money by Officers
I.C. § 18-5703 Definitions

**Policy History:**
Adopted on: 7/10/17
Revised on: 5/6/19
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT

District Credit Card Holder Agreement

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

__________________________________________  ______________________________
Signature                                      Position

__________________________________________  ______________________________
Printed Name                                   Date Signed
Federal Cash Management

Employees responsible for Federal Funds, shall comply with applicable methods and procedures for payment that minimize the time elapsing between the District’s receipt of federal funds and their disbursement by the District, a required by and in accordance with the Cash Management Improvement Act of 1990. Generally, the District receives payment of federal funds from the State Department of Education on a reimbursement basis.

However, if the District receives an advance in federal grant funds, the District will remit interest earned on the advanced payment quarterly to the federal agency. The District may retain interest amounts up to $500 per year for administrative expenses.

According to guidance from the U.S. Department of Education (USDE), when calculating the interest earned on USDE grant funds, regardless of the date of obligation, interest is calculated from the date that the federal funds are drawn down from the G5 system until the date on which those funds are disbursed by the District.

Payment Methods

1. Reimbursements: The District will initially charge federal grant expenditures to nonfederal funds.

   The District Grant Accountant or the Superintendent or designee shall request reimbursement for actual expenditures incurred under the federal grants monthly. All reimbursements are based on actual disbursements, not on obligations. Reimbursement requests shall be submitted on a District form to the State Department of Education.

   The Superintendent or designee shall promulgate a procedure specifying any further requirements.

   Consistent with state and federal requirements, the District shall maintain source documentation supporting the federal expenditures; such as invoices, time sheets, and payroll stubs; and will make such documentation available for the State Department of Education to review upon request.

   Reimbursements of actual expenditures do not require interest calculations.

2. Advances: To the extent the District receives advance payments of federal grant funds; the District shall strive to expend the federal funds on allowable expenditures as expeditiously as possible. Specifically, the District shall attempt to expend all drawn downs of federal funds within 72 hours of receipt.
The District shall hold federal advance payments in interest-bearing accounts, unless an allowable exception applies. The District shall begin to calculate interest earned on cash balances once funds are deposited into the District’s account.

Interest shall be calculated quarterly. Total federal grant cash balances shall be calculated on cash balances per grant and applying the District’s average interest rate. Within 30 days of the end of the quarter, the District shall remit interest earned. The District may retain up to $500 of interest earned per year.

The Superintendent or designee shall promulgate a procedure specifying the process for remitting interest.

Legal Reference:
- 2 CFR § 200.305 Payment

Policy History:
Adopted on: 7/10/17
Revised on: 5/6/19
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT 7500

New Fees or Increase of Fees

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

In the event a fee increase of four-percent (4%) or less from the prior fee amount is necessary, the Board can review and vote on such a fee increase. However, in the event a fee increase of five-percent (5%) or more from the prior fee amount is necessary, the Board shall hold a hearing upon such proposed fee increase at a regular or special meeting of the Board.

The Board shall provide notice of the meeting according to Idaho Code § 63-1311A. Meeting notice shall include the reason for the meeting, (i.e. the Board is considering a fee increase that is in excess of five percent (5%) of the amount of fees last collected prior to such decision). If the Board is considering assessing a new fee, the meeting notice shall indicate such.

Cross Reference: 3440 Student Fees, Fines & Charges
7300 Revenues

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

Policy History:
Adopted on: 7/10/17
Revised on:
Declaration of Financial Emergency

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

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

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

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

Policy History:
Adopted on: 7/10/17
Revised on:
Declaration of Financial Emergency Resolution

DECLARATION OF FINANCIAL EMERGENCY

WHEREAS, the State Department of Education has certified that conditions (a) (b) and/or (c) (include all that have been met) of Idaho Code Section 33-522 (2) have been met;

WHEREAS, the Board of Trustees of the Coeur d’Alene School District No. 271 met on ____________(insert date) to review the financial state of the District;

WHEREAS, the Board of Trustees posted notice on ____________(insert date) of a public meeting to gather input concerning possible solutions to the financial emergency facing the District;

WHEREAS, the Board of Trustees held a public meeting on ____________(insert date) to gather input concerning possible solutions to the financial emergency facing the District pursuant to Idaho Code Section 33-522(1); and

WHEREAS, the Board of Trustees project that the District’s general fund balance, excluding funds restricted by State or federal law and considering both anticipated expenditures and revenue is less than 5 ½ percent of the District’s unrestricted general fund budget pursuant to Idaho Code Section 33-522(2)(f) and thus the District has determined that the required condition in paragraph (f) of Idaho Code Section 33-522(2) has been met;

NOW, THEREFORE BE IT RESOLVED, on ____________(insert date) that the Board of Trustees of the Coeur d’Alene School District No. 271 declares a financial emergency pursuant to Idaho Code Section 33-522 for the Fiscal Year ____ (insert year).
DECLARATION OF FINANCIAL EMERGENCY

WHEREAS, the Board of Trustees of the Coeur d’Alene School District No. 271 met on ____________(insert date) to review the financial state of the District;

WHEREAS, the Board of Trustees posted notice on ______________(insert date) of a public meeting to gather input concerning possible solutions to the financial emergency facing the District;

WHEREAS, the Board of Trustees held a public meeting on ____________(insert date) to gather input concerning possible solutions to the financial emergency facing the District pursuant to Idaho Code Section 33-522(1);

[NOTE: Select from one of the following, or both of the following, if applicable in regard to paragraph (d) or paragraph (e))]

WHEREAS, pursuant to paragraph (d) of subsection 33-522(2), Idaho Code, the Board of Trustees has determined that the amount of property tax revenue to be collected by the District that may be used for any general fund purpose, with the exception of any emergency levy funds, is reduced from the prior fiscal year, and the amount of said reduction represents more than 1½ percent of the District’s general fund budget for combined State and local revenues from the prior fiscal year;

WHEREAS, pursuant to paragraph (e) of subsection 33-522(2), Idaho Code, the Board of Trustees has determined that the District’s general fund has decreased by at least 1½ percent from the previous year’s level due to a decrease in funding or natural disaster, but not as a result of a drop in the number of support units or the index multiplier calculated pursuant to section 33-1004A, Idaho Code, or a change in the emergency levy; and

WHEREAS, the State Department of Education has certified that the conditions set forth in paragraph (f) of section 33-522(2), Idaho Code, have been met in that the District’s unrestricted general fund balance, which excludes funds restricted by State or federal law and considering both anticipated expenditures and revenue, is less than 5½ percent of the District’s unrestricted general fund budget at the time the financial emergency is declared or for the fiscal year for which the financial emergency is declared;

NOW, THEREFORE BE IT RESOLVED, on ____________(insert date) that the Board of Trustees of the the Coeur d’Alene School District No. 271 declares a financial emergency pursuant to Idaho Code Section 33-522 for the Fiscal Year ____ (insert year).
Declaration of Financial Emergency Procedure

Financial Emergency Declaration Requirements

If the State Department of Education certifies that one or more of the conditions below in paragraphs 1, 2, or 3 are met, then the Board of Trustees may declare a financial emergency if it determines that the condition in paragraph 6 is also met. Alternatively, the Board may declare a financial emergency if it determines that either of the conditions in paragraph 4 or 5 of this subsection are met and the State Department of Education certifies that the condition set forth in paragraph 6 is also met.

1. Any of the base salary multipliers in section 33-1004E, Idaho Code, are reduced by 1½ percent or more from any prior fiscal year.

2. The minimum instructional salary provision in section 33-1004E, Idaho Code, is reduced by 1½ percent or more from any prior fiscal year.

3. The amount of total general fund money appropriated per support unit is reduced by greater than 3 percent from the original general fund appropriation per support unit of any prior fiscal year.

4. The amount of property tax revenue to be collected by the District that may be used for any general fund purpose, with the exception of any emergency levy funds, is reduced from the prior fiscal year, and the amount of said reduction represents more than 1½ percent of the District’s general fund budget for combined State and local revenues from the prior fiscal year.

5. The District’s general fund has decreased by at least 1½ percent from the previous year’s level due to a decrease in funding or natural disaster, but not a result of a drop in the number of support units or the index multiplier calculated pursuant to section 33-1004A, Idaho Code, or a change in the emergency levy.

6. The District’s unrestricted general fund balance, which excludes funds restricted by State or federal law and considering both anticipated expenditures and revenue, is less than 5½ percent of the District’s unrestricted general fund budget at the time the financial emergency is declared or for the fiscal year for which the financial emergency is declared.

Negotiations

Upon the declaration of financial emergency, the Board shall have the power to reopen the salary and benefits compensation aspects of the negotiated agreement, including the length of the
certificated employee contracts and the amount of compensation and benefits. And, if the parties to the negotiated agreement mutually agree, the Board shall also have the power to reopen the other matters contained within the negotiated agreement directly affecting the financial circumstance in the District.

The Board and the local education association will meet and confer in good faith for the purpose of reaching agreement on such issues. If an agreement has not been reached, the Board may impose its last, best offer following the outcome of the due process hearing.

Due Process Hearing

If the Board takes action after the declaration of a financial emergency and such action is directed at more than one certificated employee and if mutually agreed to by both parties, the Board shall use the following procedure to conduct a single, joint due process hearing for all affected certificated employees within sixty-seven (67) days of the declaration of financial emergency or on or before June 22, whichever shall occur first. The due process hearing shall not be required if the Board and the local education association reach an agreement.

1. The Superintendent or any other duly authorized administrative officer of the District may recommend the change in the length of the term stated in the current contract or reduce the salary of any certificated employee by filing with the Board written notice specifying the purported reasons for such changes.

2. Upon receipt of such notice, the Board acting through its duly authorized administrative official, shall give the affected employees written notice of the reductions and the recommendation of the change in the length of the term stated in the current contract or the reduction of salary, along with written notice of a hearing before the Board prior to any determination by the Board.

3. The hearing shall be scheduled to take place not less than six (6) days nor more than fourteen (14) days after receipt of the notice by the employees. The date provided for the hearing may be changed by mutual consent.

4. The hearing shall be open to the public.

5. All testimony at the hearing shall be given under oath or affirmation. Any member of the Board, or the clerk of the Board, may administer oaths to witnesses or affirmations by witnesses.

6. The employees may be represented by legal counsel and/or by a representative of a local or state education association.

7. The Chair of the Board, or the designee of the Chair, shall conduct the hearing.

8. The Board shall cause an electronic record of the hearing to be made or shall employ a competent reporter to take stenographic or stenotype notes of all the testimony at the
hearing. A transcript of the hearing shall be provided at cost by the Board upon request of the employee.

9. At the hearing the Superintendent or other duly authorized administrative officer shall present evidence to substantiate the reduction contained in such notice.

10. The employees may produce evidence to refute the reduction. Any witness presented by the Superintendent or by the employees shall be subject to cross-examination. The Board may also examine witnesses and be represented by counsel.

11. The affected employees may file written briefs and arguments with the Board within three (3) days after the close of the hearing or such other time as may be agreed upon by the affected employees and the Board.

12. Within seven (7) days following the close of the hearing, the Board shall determine and, acting through its duly authorized administrative official, shall notify the employees in writing whether the evidence presented at the hearing established the need for the action taken.

Length of Financial Emergency

A financial emergency shall be effective for one (1) fiscal year unless the District qualifies in subsequent years due to additional reductions or applicable conditions.

Annual Meeting and Notice Requirements

If a financial emergency has been declared, the notice of annual meeting and the notice of the annual budget hearing shall be posted for not less than five (5) days, and by such further notice as shall provide reasonable notice to the patrons of the District if publication in a newspaper is not feasible. If the District has declared a financial emergency, no later than fourteen (14) days prior to its annual meeting, the Board shall have prepared a budget, and held a public hearing.

Contract Date Impact

The time requirements of sections 33-514(2) and 33-515(2), Idaho Code, shall not apply in the event a financial emergency is declared.

Procedure History:
Promulgated on: 7/10/17
Revised on:
Coeur d’Alene School District No. 271

FINANCIAL MANAGEMENT

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. A separate subaccount under the bond account shall be established for each series of bonds. All bond tax receipts and bond levy subsidy payments, hereinafter defined, shall be credited to the bond account separate and apart from the funds for the payment of principal or interest on any other series of bonds, and separate and apart from any non-bond levy revenues of the District, as hereinafter defined.

The bond account shall be monitored by the Superintendent 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 Superintendent or designee 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 no later than five days of 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 on: 12/4/17
Revised on: 5/6/19
Bond Continuing Disclosure and Certification Requirements

Designation of Administrator

The District hereby designates the Superintendent or designee (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 MSRB, 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:

1. 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;

2. 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;

3. 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

4. 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)


Policy History:
Adopted on: 12/4/17
Revised on: 5/6/19