

BUSINESS PROCEDURES

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STATEMENT OF GUIDING PRINCIPLES

The Board of Directors recognizes that its primary purpose is to provide the best education possible within the limits of the established curriculum and the financial ability of the school district. The Board of Directors also recognizes its deep responsibility to the citizens of the school district for the efficient use of public funds. It shall, therefore, be the duty of the Board of Directors to determine guidelines for the most effective use of public funds and for reporting to the public.

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Reviewed: August 9, 2004

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PLANNING THE BUDGET

The planning of the budget document shall be a continuous process and shall involve long-term thought, study, and deliberation by the Superintendent of Schools, the Board of Directors, the administrative staff and the faculty.

The planning shall include the following three phases:

1. The educational program and its impact upon the budget.
2. The estimated income.
3. The estimated expenditures.

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PREPARATION OF THE BUDGET DOCUMENT

The preparation of the formal budget shall be the responsibility of the superintendent of schools. At a meeting in March, the superintendent shall present to the Board a preliminary projection of the needs of the school district for the ensuing fiscal year. A complete budget shall be prepared by the superintendent and presented to the Board for certification at the Board's regular meeting in April, but not later than April 15.

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REQUIREMENTS OF THE BUDGET DOCUMENT

The budget document must include the following estimates:

1. the amount of income for the several funds from sources other than taxation
2. the amount proposed to be raised by taxation
3. the amount proposed to expended in each and every purpose during the ensuing fiscal year
4. a comparison of such amounts so proposed to be expended with the amounts expended for like purposes for the two preceding years and
5. the estimates required shall be fully itemized and classified so as to show each particular class of proposed expenditures, showing under separate headings the amounts required in such manner and form as shall be prescribed by the State Board

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PUBLICATION OF THE BUDGET

The Board of Directors shall adopt, for publication, a proposed budget for the ensuing year. This proposed budget shall be filed with the Secretary of the Board at least 10 days before April 15 of each year.

The Board of Directors shall cause this proposed budget to be published in the legal newspaper of the school district, together with the time and place established for public review of the budget.

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PUBLIC REVIEW OF THE BUDGET

The Board of Directors shall establish and public the time and place for public review of the budget document. This public hearing shall be held no later than April 15 of each year, and a notice of the hearing shall be published at least 10, but no more than 20 days in advance.

The verified proof of the publication of such notice, together with the certified budget, shall be filed in the office of the county auditor and preserved by that office. No levy shall be valid unless and until such notice is published and filed.

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Reviewed: November 9, 2009

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Reviewed: November 11, 2019

BUDGET ADOPTION BY THE BOARD

The Board of Directors shall, after the public budget hearing, adopt the final budget for the ensuing year and certify it to the levying board.

The final budget shall be certified by the Secretary of the Board of Directors in duplicate to the county auditor no later than April 15 of each year, on forms prescribed by the state.

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Reviewed: August 9, 2004
Reviewed: November 11, 2019

Reviewed: November 9, 2009

BUDGET AS A SPENDING PLAN

The final certified budget shall be considered as the authority for all expenditures to be made during the fiscal year.

Any expenditures to be made that exceed the final certified budget shall be made only in accordance with procedures specified in the Code of Iowa. These procedures permit the expenditure of closing cash balances of the preceding fiscal year and the expenditure of unanticipated income from sources other than taxation during a fiscal year by amending the budget. The Board of Directors, upon approving an amended budget, shall file and publish the same and give notice of a public hearing within twenty days after approving an amended budget.

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TRANSFER OF INACTIVE ACCOUNT FUNDS

When necessity for maintaining any account has ceased to exist, and a balance remains in said account, the Board of Directors, at its annual meeting in July, shall so declare by Board action and upon such declaration shall transfer said balance to the fund or funds designated by the Board or Iowa Code.

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Code No. 801.9

FINANCIAL ACCOUNTING SYSTEM

The Board of Directors of this school district adopts as its system of financial accounting the Uniform Financial Accounting for Iowa School Districts and Area Education Agencies.

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Reviewed: August 9, 2004
Reviewed: November 11, 2019

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LOCAL, STATE AND FEDERAL INCOME

All income received by the School District shall be classified under the official accounting system and be placed in the hands of the Secretary and Treasurer of the Board of Directors to be deposited into the official School District depository as set by the Board of Directors and in accordance with the laws of the State of Iowa.

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TUITION FEES

The Board of Directors shall, upon the recommendation of the superintendent of schools, adopt at its regular July meeting a schedule of tuition fees for the school district's adult education and summer school programs for the ensuing school year.

For nonresident students attending elementary or secondary school during the regular school year, the tuition fee shall be the current per pupil cost of this district as computed by the Secretary of the Board and as authorized by the State Department of Education.

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Code No. 802.3

EDUCATIONAL MATERIAL FEE

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

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USE OF SCHOOL PROPERTY AND EQUIPMENT

The Superintendent of Schools shall establish the necessary regulations governing the use of the school buildings and/or its equipment by outside groups. These regulations shall be consistent with the laws of the State of Iowa. The Superintendent shall establish charges for the use of the school buildings and/or its equipment in specific instances. Regulations and charges will be reviewed periodically by the Board of Directors. In cases where there is a question regarding the use of the facilities, the Superintendent will consult with the Board.

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SALE OF BONDS

The Board of Directors shall, under legal petition, conduct an election for authorization to issue bonds. The election, the insurance, the sale, the receipts from sale, and the payment of the bonds shall be made in accordance with the statutes of the State of Iowa.

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INVESTMENT POLICY

SECTION 1--SCOPE OF INVESTMENT POLICY

The Investment Policy of West Lyon Community School District shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of West Lyon CSD. Each investment made pursuant to this Investment Policy must be authorized by applicable law and the written Investment Policy.

The Investment of bond funds or sinking funds shall comply not only with this investment policy, but also with any applicable bond resolution.

The investment policy is intended to comply with Iowa Code Chapter 542.

Upon passage and upon future amendment, if any, copies of this Investment Policy shall be delivered to all of the following:

1. The governing body or officer of West Lyon CSD to which the Policy applies.
2. All depository institutions or fiduciaries for public funds of West Lyon CSD.
3. The auditor engaged to audit any fund of West Lyon CSD.
4. The State Auditor.

In addition, a copy of this Investment Policy shall be delivered to every fiduciary or third party assisting with or facilitating investment of the funds of West Lyon CSD.

SECTION 2--DELEGATION OF AUTHORITY

In accordance with Section 452.10(1), the responsibility for conducting investing transactions resides with the Treasurer of West Lyon CSD. Only the treasurer and those authorized by (ordinance or resolution) may invest public funds and a copy of any empowering (ordinance or resolution) shall be attached to this Investment Policy.

All contracts or agreements with outside persons investing public funds, advising on the investment of public funds, directing the deposit or investment of public funds or acting in a fiduciary capacity for West Lyon CSD shall require the outside person to notify in writing the Treasurer within thirty days of receipt of all communication from the Auditor of the outside person or any regulatory authority of the existence of a material weakness in internal control structure of the outside person or regulatory orders or sanctions regarding the type of services being provided to district by the outside person.

The records of investment transactions made by or on behalf of West Lyon CSD are public records and are the property of West Lyon CSD whether in the custody of the school district or in the custody of a fiduciary or other third party.

The Treasurer shall establish a written system of internal controls and investment practices. The controls shall be designed to prevent losses of public funds, to document those officers and employees of West Lyon CSD responsible for elements of the investment process and to address the capability of Investment management. The controls shall provide for receipt and review of

the audited financial statement and related report on internal control structure of all outside persons performing any of the following for this public body.

1. Investing public funds.
2. Advising on the Investment of public funds.
3. Directing the deposit or investment of public funds.
4. Acting in a fiduciary capacity for this public body.

A Bank, Savings and Loan Association or Credit Union providing only depository services shall not be required to provide an audited financial statement and related report on internal control structure.

The Treasurer of West Lyon CSD and all employees authorized to place investments shall be bonded in the amount of \$250,000.

SECTION 3--OBJECTIVES OF INVESTMENT POLICY

The primary objectives, in order of priority, of all investment activities involving the financial assets of West Lyon CSD shall be the following:

1. SAFETY: Safety and preservation of principal in the overall portfolio is the foremost investment objective.
2. LIQUIDITY: Maintaining the necessary liquidity to match expected liabilities is the second investment objective.
3. RETURN: Obtaining a reasonable return is the third investment objective.

SECTION 4--PRUDENCE

The Treasurer of West Lyon CSD, when investing or depositing public funds, shall exercise the care, skill prudence and diligence under the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use to attain the Section 2 investment objectives. This standard requires that when making investment decisions, the Treasurer shall consider the role that the investment or deposit plays within the portfolio of assets of West Lyon CSD and the investment objectives stated in Section 2.

When investing assets of the district for a period of longer than sixty days, the Treasurer shall request competitive investment proposals for comparable credit and term investments from a minimum of three investment providers.

SECTION 5--INSTRUMENTS ELIGIBLE FOR INVESTMENT

Assets of West Lyon CSD may be invested in the following:

1. Interest bearing savings accounts, interest bearing money market accounts, and interest bearing checking accounts at any bank, savings and loan association or credit union in the State of Iowa. Each bank must be on the most recent Approved Bank List as distributed by the Treasurer of the State of Iowa or as amended as necessary by notice inserted in the monthly mailing by the Rate Setting Committee. Each financial institution shall be properly declared as a depository by the governing body West Lyon CSD. Deposits in any financial institution shall not exceed the amount approved by the governing body of district.
2. Obligations of the United State government, its agencies and instrumentalities.
3. Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 453.

4. Iowa Schools Joint Investment Trust.
5. Prime bankers' acceptances that mature within 270 days of purchase and that are eligible for purchase by a federal reserve bank.
6. Commercial paper or other short-term corporate debt that matures within 270 days of purchase and is rated within the two highest classifications, as established by at least one of the standard rating services approved by the superintendent of banking.
7. Repurchase agreements, providing that the underlying collateral consists of obligations of the United States government, its agencies and instrumentalities and the district takes delivery of the collateral either directly or through an authorized custodian.
8. An open-end management investment company registered with the Securities & Exchange Commission under the federal Investment Company Act of 1940, 15 U.S.C. Section 80(a) and operated in accordance with 17 C.F.R. section 270.2a-7, whose portfolio investments are limited to those instruments individually authorized in Section 5 of the Investment Policy.

All instruments eligible for investment are further qualified by all other provisions of the Investment Policy, including Section 7 investment maturity limitations and Section 8 diversification requirements.

SECTION 6--PROHIBITED INVESTMENTS AND INVESTMENT PRACTICES

Assets of the West Lyon Community School District shall not be invested in the following:

1. Reverse repurchase agreements.
2. Futures and option contracts.

Assets of the district shall not be invested pursuant to the following investment practices:

1. Trading of securities for speculation or the realization of short-term trading gains.
2. Pursuant to a contract providing for the compensation of an agent or fiduciary based upon the performance of the invested assets.
3. If a fiduciary or other third party with custody of public investment transaction records of the West Lyon CSD fails to produce requested records when requested by this public body within a reasonable time, the Treasurer shall make no new investment with or through the fiduciary or third party and shall not renew maturing investments with or through the fiduciary or third party.

SECTION 7--INVESTMENT MATURITY LIMITATIONS

OPERATING FUNDS must be identified and distinguished from all other funds available for investment. Operating funds are defined as those funds which are reasonably expected to be expended during a current budget year or within fifteen months of receipt.

All investments authorized in Section 5 are further subject to the following investment maturity limitations:

1. Operating funds may only be invested in instruments authorized in Section 5 if this Investment Policy that mature within three hundred ninety-seven (397) days.
2. The Treasurer may invest funds of West Lyon CSD that are not identified as Operating

Funds in investments with maturities longer than three hundred ninety-seven (397) days. However, all investments of the district shall have maturities that are consistent with the needs and use of the district.

SECTION 8--DIVERSIFICATION

Investments of West Lyon Community School District are subject to the following diversification requirements:

Prime Banker's Acceptances:

1. At the time of purchase, no more than ten percent (10%) of the investment portfolio of the district shall be invested in prime banker's acceptances, and
2. at the time of purchase, no more than five percent (5%) of the investment portfolio of the district shall be invested in the securities of a single issuer.

Commercial paper or other short-term corporate debt:

1. At the time of purchase, no more than ten percent (10%) of the investment portfolio of the district shall be in commercial paper or other short-term corporate debt.
2. at the time of purchase, no more than five percent (5%) of the investment portfolio of the district shall be invested in the securities of a single issuer, and
3. at the time of purchase, no more than five percent (5%) of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the second highest classification.

SECTION 9--SAFEKEEPING AND CUSTODY

All invested assets of the West Lyon Community School District involving the use of a public funds custodial agreement, as defined in section 452.10, shall comply with all rules adopted pursuant to Section 452.10C. All custodial agreements shall be in writing and shall contain a provision that all custodial services be provided in accordance with the laws of the state of Iowa.

SECTION 10--ETHICS AND CONFLICT OF INTEREST

The Treasurer and all officers and employees of the West Lyon Community School District involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Any personal investments or loans in excess of \$50,000 in or with any entity that the district has declared as a depository or regularly conducts investment business which shall be disclosed in writing to the governing board of West Lyon Community School District.

SECTION 11--INVESTMENT POLICY REVIEW AND AMENDMENT

This Investment Policy shall be reviewed every three years or more frequently as appropriate. Notice of amendments to the Investment Policy shall be promptly given to all parties noted in Section 1.

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GIFTS, GRANTS AND BEQUESTS

If approved by the Board of Directors, gifts, grants, or bequests involving money, equipment and furnishings may be accepted by the school district. All gifts, grants, or bequests shall be administered in pursuance of the terms of the gift or bequest. Such gifts shall become the property of the school district and shall be under the control of the Board of Directors.

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DEPOSITORY OF FUNDS

At the annual meeting in July, the Board of Directors shall designate by Board action, and shall be entered in the official minutes of the Board, the name and location of the bank or banks selected as the official school district depository. The Board of Directors shall also designate the maximum amount which may be kept on deposit in each bank.

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**POST-ISSUANCE COMPLIANCE POLICY FOR
TAX-EXEMPT OBLIGATIONS**

1. Compliance Coordinator:
 - a) The Business Manager ("Coordinator") shall be responsible for monitoring post-issuance compliance.
 - b) The Coordinator will maintain a copy of the transcript of proceedings in connection with the issuance of any tax-exempt obligations. Coordinator will obtain such records as are necessary to meet the requirements of this policy.
 - c) The Coordinator shall consult with bond counsel, a rebate consultant, financial advisor, IRS publications and such other resources as are necessary to understand and meet the requirements of this policy.
 - d) Training and education of Coordinator will be sought and implemented upon the occurrence of new developments and upon the hiring of new personnel to implement this policy.

2. Financing Transcripts. The Coordinator shall confirm the proper filing of an 8038 Series return, and maintain a transcript of proceedings for all tax-exempt obligations issued by the school district, including but not limited to all tax-exempt bonds, notes and lease-purchase contracts. Each transcript shall be maintained until eleven (11) years after the tax-exempt obligation it documents has been retired. Said transcript shall include, at a minimum:

- a) Form 8038s;
- b) minutes, resolutions, and certificates;
- c) certifications of issue price from the underwriter;
- d) formal elections required by the IRS;
- e) trustee statements;
- f) records of refunded bonds, if applicable;
- g) correspondence relating to bond financings; and
- h) reports of any IRS examinations for bond financings.

3. Proper Use of Proceeds. The Coordinator shall review the resolution authorizing issuance for each tax-exempt obligation issued by the school district, and that the school district shall:

- a) obtain a computation of the yield on such issue from the school district's financial advisor;
- b) create a separate Project Fund (with as many sub-funds as shall be necessary to allocate proceeds among the projects being funded by the issue) into which the proceeds of issue shall be deposited;

- c) review all requisitions, draw schedules, draw requests, invoices and bills requesting payment from the Project Fund;
- d) determine whether payment from the Project Fund is appropriate, and if so, make payment from the Project Fund (and appropriate sub-fund if applicable);
- e) maintain records of the payment requests and corresponding records showing payment;
- f) maintain records showing the earnings on, and investment of, the Project Fund;
- g) ensure that all investments acquired with proceeds are purchased at fair market value;
- h) identify bond proceeds or applicable debt service allocations that must be invested with a yield-restriction and monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted;
- i) maintain records related to any investment contracts, credit enhancement transactions, and the bidding of financial products related to the proceeds;

4. Timely Expenditure and Arbitrage/Rebate Compliance. The Coordinator shall review the Tax-Exemption Certificate (or equivalent) for each tax-exempt obligation issued by the school district and the expenditure records provided in Section 2 of this policy, above, and shall:

- a) monitor and ensure that proceeds of each such issue are spent within the temporary period set forth in such certificate;
- b) if the school district does not meet the “small issuer” exception for said obligation, monitor and ensure that the proceeds are spent in accordance with one or more of the applicable exceptions to rebate as set forth in such certificate;
- c) not less than 60 days prior to a required expenditure date confer with bond counsel and a rebate consultant if the school district will fail to meet the applicable temporary period or rebate exception expenditure requirements of the Tax-Exemption Certificate; and
- d) in the event the school district fails to meet a temporary period or rebate exception:
 - i. procure a timely computation of any rebate liability and, if rebate is due, file a Form 8038-T and arrange for payment of such rebate liability;
 - ii. arrange for timely computation and payment of “yield reduction payments” (as such term is defined in the Code and Treasury Regulations), if applicable.

5. Proper Use of Bond Financed Assets. The Coordinator shall:

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

6. General Project Records. For each project financed with tax-exempt obligations, the Coordinator shall maintain, until three (3) years after retirement of the tax-exempt obligations or obligations issued to refund those obligations, the following:

- a) appraisals, demand surveys or feasibility studies,
- b) applications, approvals and other documentation of grants,
- c) depreciation schedules,
- d) contracts respecting the project.

7. Advance Refunding. The Coordinator, shall be responsible for the following current, post issuance and record retention procedures with respect to advance refunding bonds:

- a) Identify and select bonds to be advance refunded with advice from internal financial personnel, and a financial advisor;
- b) The Coordinator shall identify, with advice from the financial advisor and bond counsel, any possible federal tax compliance issues prior to structuring any advance refunding;
- c) The Coordinator shall review the structure with the input of the financial advisor and bond counsel, of advance refunding issues prior to the issuance to ensure (i) that the proposed refunding is permitted pursuant to applicable federal tax requirements if there has been a prior refunding of the original bond issue; (ii) that the proposed issuance

complies with federal income tax requirements which might impose restrictions on the redemption date of the refunded bonds; (iii) that the proposed issuance complies with federal income tax requirements which allow for the proceeds and replacement proceeds of an issue to be invested temporarily in higher yielding investments without causing the advance refunding bonds to become “arbitrage bonds”; and (iv) that the proposed issuance will not result in the issuer’s exploitation of the difference between tax exempt and taxable interest rates to obtain a financial advantage nor overburden the tax exempt market in a way that might be considered an abusive transaction for federal tax purposes.

- d) The Coordinator shall collect and review data related to arbitrage yield restriction and rebate requirements for advance refunding bonds. To ensure such compliance, the Coordinator shall engage a rebate consultant to prepare a verification report in connection with the advance refunding issuance. Said report shall ensure said requirements are satisfied.
- e) The Coordinator shall, whenever possible, purchase SLGS to size each advance refunding escrow. The financial advisor shall be included in the process of subscribing SLGS. To the extent SLGS are not available for purchase, the Coordinator shall, in consultation with bond counsel and the financial advisor, comply with IRS regulations.
- f) To the extent as issuer elects to the purchase a guaranteed investment contract, the Coordinator shall ensure, after input from bond counsel, compliance with any bidding requirements set forth by the IRS regulations.
- g) In determining the issue price for any advance refunding issuance, the Coordinator shall obtain and retain issue price certification by the purchasing underwriter at closing.
- h) After the issuance of an advance refunding issue, the Coordinator shall ensure timely identification of violations of any federal tax requirements and engage bond counsel in attempt to remediate same in accordance with IRS regulations.

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

- a) Principal and interest payment delinquencies;
- b) Non-payment related defaults, if material;
- c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- d) Unscheduled draws on credit enhancements relating to the bonds reflecting financial difficulties;

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

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PURCHASING POLICY

The board supports economic development in Iowa, particularly in the school district community. As permitted by law, purchasing preference will be given to Iowa goods and services from locally-owned businesses located within the school district or Iowa based companies if the cost and other considerations are relatively equal and meet the required specifications. However, when spending federal Child Nutrition Funds, geographical preference is allowed only for unprocessed agricultural food items. Other statutory purchasing preferences will be applied as provided by law, including goals with regard to procurement from certified targeted small businesses, minority-owned businesses, and female owned businesses.

Prior to August 15 of each year and after analyzing the school district's anticipated procurement level for the current fiscal year, the school board will set a goal of ten percent of the anticipated procurement level to be purchased from certified targeted small businesses. In determining the procurement level, the cost of utilities (heat, electricity, telephone and natural gas) and employees' costs will not be included. After the goal has been established, the superintendent will file the required Targeted Small Business Procurement form with the Department of Education by August 15.

By July 31 of each year, the superintendent will file a report with the Department of Education outlining purchases of goods and services from targeted small businesses for the previous fiscal year.

The school board and superintendent will encourage targeted small businesses which are not certified with the Department of Inspections and Appeals to become certified targeted small businesses.

Goods and Services

The board shall enter into goods and services contract(s) as the board deems to be in the best interest of the school district. It shall be the responsibility of the superintendent to approve purchases, except those requiring board approvals or as provided by in law. The superintendent may coordinate and combine purchases with other governmental bodies to take advantage of volume price breaks. Joint purchases with other political subdivisions will be considered in the purchase of equipment, accessories, or attachments with an estimated cost of \$50,000 or more.

Purchases for goods and services shall conform to the following:

- The superintendent shall have the authority to authorize purchases without prior board approval and without competitive request for proposals, quotations, or bids for goods and services up to \$25,000.
- For goods and services costing at least \$25,000 and up to \$50,000, the superintendent shall receive proposals, quotations, or bids for the goods and services to be purchased prior to board approval. The quotation process may be informal, and include written or unwritten quotations.

- For goods and services exceeding, \$50,000, the competitive request for proposal (RFP) or competitive bid process shall be used and received prior to board approval. RFP's and bids are formal, written submissions via sealed process.

In the event that only one quotation or bid is submitted, the board may proceed if the quotation or bid meets the contract award specifications.

The contract award shall be based on the total cost considerations including, but not limited to the following:

- The cost of the goods and services being purchased;
- Availability of service and/or repair;
- The targeted small business procurement goal and other statutory purchasing preferences; and
- Other factors deemed relevant by the board.

Purchases using federal Child Nutrition Funds shall be made in accordance with procurement procedures required by law.

The thresholds and procedures related to purchases of goods and services do not apply to public improvement projects.

Public Improvements

The board shall enter into public improvement contract(s) as the board deems to be in the best interest of the school district. "Public improvement" means "a building or construction work which is constructed under the control of a governmental entity and is paid for in whole or in part with funds of the governmental entity, including a building or improvement constructed or operated jointly with any public or private agency".

The district shall follow all requirements, timelines, and processes detailed in Iowa law related to public improvement projects. The thresholds regarding when competitive bidding or competitive quotations is required will be followed. Competitive bidding is required for public improvement contracts exceeding the minimum threshold stated in law, but do not exceed the minimum set for competitive bidding. The board shall approve competitive bids and competitive quotes. If the total cost of the public improvement does not warrant either competitive bidding or competitive quotations, the district may nevertheless proceed with either of these processes, if it so chooses.

The award of all contracts for the public improvement shall be awarded to the lowest responsive, responsible bidder. In the event of an emergency requiring repairs to a school district facility that exceed bidding and quotations thresholds, please refer to sample policy 803.11.

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: May 10, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Revised: Oct. 9, 2017

Reviewed: November 11, 2019

CREDIT CARDS

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

Employees and officers using a school district credit card must submit a detailed receipt in addition to a credit card receipt indicating the date, purchase and nature of the expense for each claim item. Failure to provide proper receipt shall make the employee responsible for expenses incurred. Those expenses shall be reimbursed to the school district no later than ten working days following use of the school district's credit card. In exceptional circumstances, the superintendent or board may allow a claim without proper receipt. Written documentation explaining circumstances shall be maintained as part of the school district's record of the claim.

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

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

The superintendent shall be responsible for developing administrative regulations regarding actual and necessary expenses and use of a school district credit card. The administrative regulations shall include the appropriate forms to be filed for obtaining a credit card.

Approved: November 10, 1999
Reviewed: August 11, 2014

Reviewed: August 9, 2004
Reviewed: November 11, 2019

Reviewed: November 9, 2009

REQUISITIONS/PURCHASE ORDERS

Requisitions for equipment, supplies and services are to be made on the properly authorized forms. The authorized requisition form must be signed by officially designated personnel before being processed.

The procurement of all supplies, equipment, and services shall be initiated by the insurance of an official purchase order signed by the Superintendent of Schools or by an authorized staff member. Only those supplies, equipment, and services procured by formal contract shall be exempt.

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: January 14, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Reviewed: November 11, 2019

RECEIVING SUPPLIES AND EQUIPMENT

Whenever physically possible, all supplies and equipment purchased in the name of the school district shall be cleared through the Business Manager. Whenever this procedure is impossible and/or impractical, the Business Manager shall be notified by the school personnel receiving such equipment, supplies, and services that such has been delivered.

Approved: April 9, 1990 Reviewed: August 9, 2004 Revised: January 14, 1991
Reviewed: November 9, 2009 Reviewed: August 11, 2014 Reviewed: November 11, 2019

APPROVAL AND PAYMENT FOR GOODS AND SERVICES

The Board of Directors shall cause to have warrants issued for all just claims against the school district upon audit and allowance by the Board. The Secretary of the Board is authorized to make payment of salaries pursuant to the terms of written contracts entered into by the Board of Directors. All claims and salaries for which warrants have been issued prior to audit and allowance by the Board as provided herein shall be passed upon by the Board at the first meeting thereafter and shall be entered on record in the regular minutes of the Secretary.

Approved: April 9, 1990 Reviewed: August 9, 2004 Revised: January 14, 1991
Reviewed: November 9, 2009 Reviewed: August 11, 2014 Reviewed: November 11, 2019

UNPAID WARRANTS

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

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: January 14, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Reviewed: November 11, 2019

PAYROLL DEDUCTIONS

Payroll deductions shall consist of Federal Income Tax Withholdings, Iowa Income Tax Withholdings, Social Security, and the Iowa Public Employees' Retirement System.

Any employee may elect to have payments withheld for insurance, association dues, and/or annuity programs provided such program have been approved by the Board of Directors.

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: January 14, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Reviewed: November 11, 2019

TRAVEL ALLOWANCE

All personnel of the school district shall be reimbursed for travel expenses incurred for travel authorized by the Superintendent of Schools and/or for travel incurred under the policies of the Board of Directors.

Travel may be by common carrier when such transportation is available and will serve the time schedule of the individual or travel may be by private automobile.

The rates for reimbursement shall be 42 cents per mile for use of a private automobile.

All administrative personnel shall be reimbursed for any travel from their offices while in the performance of their assigned duties. This does not include travel to and from work and home.

Approved: April 9, 1990
Revised: November 9, 2009

Reviewed: August 9, 2004
Reviewed: August 11, 2014

Revised: January 14, 1991
Reviewed: November 11, 2019

SPECIAL ASSESSMENTS

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

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: January 14, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Reviewed: November 11, 2019

EMERGENCY REPAIRS

In the event of an emergency requiring repairs, in excess of the state limit, to a school district facility are necessary to correct or control the situation and to prevent the closing of school, the provisions relating to bidding will not apply.

It is the responsibility of the superintendent to obtain certification from the area education agency administrator stating such repairs in excess of the state limit were necessary to prevent the closing of school.

It is the responsibility of the superintendent to notify the board as soon as possible considering the circumstances of the emergency.

Code No. 804.1

SECRETARY'S MONTHLY REPORT

The Secretary of the Board shall file with the Board of Directors each month a complete financial statement of the preceding month's business.

Approved: April 9, 1990 Reviewed: August 9, 2004 Revised: January 14, 1991
Reviewed: November 9, 2009 Reviewed: August 11, 2014 Reviewed: November 11, 2019

TREASURER'S ANNUAL REPORT

The Treasurer of the Board of Directors shall make an annual report to the Board at its regular July meeting, which shall show the amount of the General Fund and the School House Fund held over, received, paid out, and on hand.

Approved: May 21, 1990
Reviewed: August 11, 2014

Reviewed: August 9, 2004
Reviewed: November 11, 2019

Reviewed: November 9, 2009

Annual Payroll Disbursements

The Board of Directors shall cause to have published as soon as possible following the annual meeting of each year in at least one newspaper in the district a summarized statement verified by affidavit of the Secretary of the Board showing total annual/calendar payroll disbursements and listing total annual payments to each individual.

Approved: May 21, 1990
Reviewed: August 11, 2014

Reviewed: August 9, 2004
Reviewed: November 11, 2019

Revised: November 9, 2009

AUDITS

The Board of Directors shall cause to be initiated by a Certified Public Accountant or the state auditing agency, an annual audit of the financial affairs of the school district accordance with the statutes of the State of Iowa.

Such annual audit reports shall remain on permanent file in the administrative office of the school district.

Approved: April 9, 1990
Reviewed: November 9, 2009

Reviewed: August 9, 2004
Reviewed: August 11, 2014

Revised: January 14, 1991
Reviewed: November 11, 2019

GOVERNMENTAL ACCOUNTING PRACTICES AND REGULATIONS

School district accounting practices will follow state and federal laws and regulations, generally accepted accounting principles (GAAP) and the uniform financial accounting system provided by the Iowa Department of Education. As advised by the school district's auditor, determination of liabilities and assets, prioritization of expenditures of governmental funds and provisions for accounting disclosures shall be made in accordance with governmental accounting standards.

In Governmental Accounting Standards Board (GASB) Statement No. 54, the board identifies the order of spending unrestricted resources applying the highest level of classification of fund balance-restricted, committed, assigned, and unassigned-while honoring constraints on the specific purposes for which amounts in those fund balances can be spent. A formal board action is required to establish, modify and or rescind a committed fund balance. The resolution will state the exact dollar amount. In the event, the board chooses to make changes or rescind the committed fund balance, formal board action is required.

The Board authorizes the board secretary to assign amounts to a specific purpose in compliance with GASB 54. An "assigned fund balance" should also be reported in the order of spending unrestricted resources, but is not restricted or committed.

It is the responsibility of the superintendent to develop administrative regulations implementing this policy. It is also the responsibility of the superintendent to make recommendations to the board regarding fund balance designations.

Approved: July 12, 2011

Reviewed: August 11, 2014

Reviewed: November 11, 2019

SCHOOL DISTRICT RECORDS

School district records shall be housed in the administrative offices of the school district. It shall be the responsibility of the Board Secretary to oversee the maintenance and accuracy of the records. The following records shall be kept and preserved according to the schedule below:

-Secretary's Financial Records	Permanently
-Treasurer's Financial Records	Permanently
-Minutes of the Board of Directors	Permanently
-Recordings of Closed Meetings	1 Year
-Annual Audit Reports	Permanently
-Annual Budget	Permanently
-Permanent Record of Individual Pupil	Permanently
-Records of Payment of Judgments Against the School District	20 Years
-Bonds and Bond Coupons after Maturity	11 Years
-Written Contracts	10 Years
-Canceled Warrants, Check Stubs, Bank Statements, Bills, Invoices and Related Records	5 Years
-Program Grants	As determined by the grant
-Nonpayroll Personnel Records	3 Years
-Payroll Records	3 Years

Personnel records shall be housed in the administrative offices of the school district. The personnel records shall be maintained by the Superintendent, Principal, and the Board Secretary.

An inventory of the furniture, equipment, and other non-consumable items other than real property of the school district shall be conducted annually under the supervision of the Business Manager. This report shall be filed with the Board Secretary.

A perpetual inventory shall be maintained on consumable property of the school district.

The permanent and cumulative records of students currently enrolled in the school district shall be housed in the administrative office of the attendance center where the students attends. Permanent records must be housed in a fireproof vault. The Building Principal shall be responsible for keeping these records current. Records of students who have graduated or are no longer enrolled in the school district shall be housed in the guidance counselor's office.

The Secretary is authorized, after microfilming the Board's records, to destroy, by burning or shredding, paper records that have been in the Board Secretary's custody for three years. A properly authenticated reproduction of a microfilmed record meets the same legal requirements as the original record.

Approved: July 10, 1989
Revised: November 9, 2009

Reviewed: August 9, 2004
Reviewed: August 11, 2014

Revised: January 14, 1991
Reviewed: November 11, 2019

PERSONNEL RECORDS

The Secretary of the Board shall not be required to preserve personnel records permanently, but is authorized, after microfilming them, to destroy by burning or shredding any personnel records that have been in his/her custody for three years. A properly authenticated reproduction of any record meets the same legal requirements as the original record.

Approved: May 21, 1990
Reviewed: August 11, 2014

Reviewed: August 9, 2004
Reviewed: November 11, 2019

Reviewed: November 9, 2009

BONDS FOR OFFICERS AND EMPLOYEES

The Secretary and Treasurer of the Board of Directors shall each give bond to the school district in such amount as the Board may require, but in no case less than five hundred dollars (\$500.00) and with sureties to be approved by the Board. bonds shall be filed with the President of the Board.

All other employees shall be covered by a blanket bond in the amount of five thousand dollars (\$5,000.00).

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: January 14, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Reviewed: November 11, 2019

INVENTORY

An annual inventory of all furniture and other equipment shall be maintained under the supervision of the Business Manager. All items of equipment that are not consumable in nature shall be included in the annual inventory.

A perpetual inventory shall be maintained for all items that are consumable in nature.

Approved: April 9, 1990
Reviewed: November 9, 2009

Reviewed: August 9, 2004
Reviewed: August 11, 2014

Revised: January 14, 1991
Reviewed: November 11, 2019

INSURANCE PROGRAM

The Board of Directors shall maintain a comprehensive insurance program that will provide adequate coverage in the event of loss or damage of the school building and equipment.

A private appraisal agency may be retained upon the recommendation of the Superintendent of Schools for inventory and appraisal value services to enable the Board of Directors to maintain a comprehensive insurance program.

An itemized statement of the appraised value of all buildings owned by the school district shall be maintained and shall be updated at least once every five years.

Approved: May 21, 1990
Reviewed: August 11, 2014

Reviewed: August 9, 2004
Reviewed: November 11, 2019

Reviewed: November 9, 2009

PERIODIC REVIEW OF INSURANCE PROGRAM

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

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

Approved: April 9, 1990

Reviewed: August 9, 2004

Revised: January 14, 1991

Reviewed: November 9, 2009

Reviewed: August 11, 2014

Reviewed: November 11, 2019