

Fiscal Management

NEPN Code	Title of Policy	Next Scheduled Review
DA	<u>Fiscal Management Goals</u>	FY2024
DB	<u>Annual Budget</u>	FY2024
DBB	<u>Fiscal Year</u>	FY2024
DBC	<u>Budget Deadlines and Schedules</u>	FY2024
DBD	<u>Budget Planning</u>	FY2024
DBH	<u>Budget Adoption Procedures</u>	FY2024
DBJ	<u>Budget Implementation</u>	FY2024
DBK	<u>Budget Transfer Authority</u>	FY2024
DC	<u>Taxing and Borrowing Authority - Limitations</u>	FY2024
DD	<u>Funding Proposals and Applications</u>	FY2024
DE	<u>Revenues from Tax Sources</u>	FY2024
DFA	<u>Revenues from Investments</u>	FY2024
DFB	<u>Revenues from School-Owned Real Estate</u>	FY2024
DG	<u>Depository of Funds</u>	FY2024
DGA	<u>Authorized Signatures</u>	FY2024
DGD	<u>Credit and Purchase Card Use</u>	FY2024
DH	<u>Bonded Employees and Officers</u>	FY2024
DI	<u>Fiscal Accounting and Reporting</u>	FY2024
DIB	<u>Types of Funds</u>	FY2024
DIC	<u>Financial Reports and Statements</u>	FY2024
DID	<u>Inventories</u>	FY2024
DIE	<u>Audits</u>	FY2024
DJ	<u>Purchasing</u>	FY2024
DJB	<u>Petty Cash Accounts</u>	FY2024
DJBA	<u>Incidental Accounts</u>	FY2024
DJC	<u>Bidding Requirements</u>	FY2024
DJD	<u>Local Purchasing</u>	FY2024
DJF	<u>Purchasing Procedures</u>	FY2024
DJG	<u>Vendor Relations</u>	FY2024
DK	<u>Payment Procedures</u>	FY2024
DLA	<u>Payday Schedules</u>	FY2024
DLB	<u>Salary Deductions</u>	FY2024
DLC	<u>Expense Reimbursements</u>	FY2024
DM	<u>Cash in School Buildings</u>	FY2024
DN	<u>School Properties Disposal Procedure</u>	FY2024
All Staff	All Staff need to be made aware of policy each year	

Approve Each year

Board should approve all policies in this color each year

Green

Students and parents need to be made aware of policy each year

Arlington School District 38-1	NEPN Code: DA
School Board Policy Reference Manual	

FISCAL MANAGEMENT GOALS

The Board recognizes that money and money management compose the foundational support of the whole school program. To make that support as effective as possible, the Board intends:

1. To encourage advance planning through the best possible budget procedures;
2. To explore all practical sources of dollar income;
3. To guide the expenditure of funds so as to extract the greatest educational returns;
4. To expect top-quality accounting and reporting procedures; and
5. To maintain a level of expenditure needed to provide high quality education without imposing an excessive tax burden on the community.

Legal References:

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DB
School Board Policy Reference Manual	

ANNUAL BUDGET

Under law, the district is required to adopt an annual budget setting forth revenues and expenditures. This annual school budget is the financial outline of the district's educational plan; it is also the legal basis for the establishment of tax levies to support public education within the district.

Public school budgeting is also regulated and controlled by legislation, state regulations and local Board requirements. The annual operating budget for the schools will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The school district budget will be prepared by the Superintendent and the Business Manager, and presented to the Board for review. The Superintendent will establish a time line for the preparation of the budget.

Legal References: SDCL 10-12-29; 10-12-42; 10-12-43; 10-12-44; SDCL 13-11-2;

SDCL 13-16-3

Cross References: DBC, Budget Deadlines and Schedules

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DBB
School Board Policy Reference Manual	

FISCAL YEAR

The fiscal year for all school funds will be July 1 through June 30. Financial reports for all funds will be presented for Board approval at the July meeting.

Legal References: SDCL 13-26-1

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DBC
School Board Policy Reference Manual	

BUDGET DEADLINES AND SCHEDULES

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and Board policy.

The following will serve as a guideline in the scheduling of the budget:

January	Budget preparation begins.
March	Annual audit is requested. Review of proposed budget.
May	The proposed amended budget for the next fiscal year will be considered at the regular Board meeting.
July 15	Deadline for publishing proposed budget and notice of hearing in the official newspaper.
July 31	Deadline for budget hearing.
September 30	Deadline for Board approval of budget for the anticipated obligations of each fund (except Trust and Agency) for the fiscal year. By resolution the School Board will adopt a levy in dollars or dollars per thousand of taxable valuation sufficient to meet the school budget for each fund.
September 30	Deadline for reporting to the county auditor the levy in dollars or dollars per thousand of taxable valuation adopted by the Board, on the forms prescribed by the county auditor.

In accordance with law, any changes in the proposed budget incorporated into the final budget, will be published in the minutes within 30 days after the final adoption of the budget.

Established by law and Board policy

Legal References: SDCL 13-11-2; 13-11-2.1; 13-11-3

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DBD
School Board Policy Reference Manual	

BUDGET PLANNING

Budget planning for the district will be an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the school system. Budget planning will be a year-round process involving broad participation by administrators, supervisors, and teachers, other personnel throughout the school system, citizens and citizen groups.

The Superintendent and the business manager will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar.

The Board will give careful consideration to budget requests, review allocations for fairness and for their consistency with educational priorities of the school system.

Legal References: SDCL 13-11-2; 13-11-2.1 13-11-3;

SDCL 13-39-13

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DBH
School Board Policy Reference Manual	

BUDGET ADOPTION PROCEDURES

Adoption of the budget is solely the responsibility of the Board. The Board will adopt the budget following the public hearing for the proposed budget. The proposed budget will be published in the official newspaper at the time notice of the budget hearing is given.

If, as a result of the public hearing, it should be determined that certain changes in the budget are necessary, these changes will be made before the budget is adopted. Adoption of the budget by the Board will be by roll call vote.

Following the adoption of the budget by the Board, the tax levy in dollars or dollars per thousand of taxable valuation will be reported to the county auditor on the appropriate forms.

Legal References: SDCL 13-11-2 through 13-11-3.2

Cross References: DBC, Budget Deadlines and Schedules

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DBJ
School Board Policy Reference Manual	

BUDGET IMPLEMENTATION

The district budget serves as the control to direct and limit expenditures. Overall responsibility for this control rests with the Superintendent, who will establish the procedures for budget control and reporting throughout the district.

The Superintendent is authorized to spend money called for in the budget classification without further approval of the Board. School Board approval must be secured to expend money in excess of major budget classifications.

Legal References:

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DBK
School Board Policy Reference Manual	

BUDGET TRANSFER AUTHORITY

Transfer of surplus funds among the major classifications of the budget or within a major classification of the budget will be subject to Board approval.

In accordance with law, funds may not be transferred from or the special education fund. The school district is restricted from transferring any funds exclusive of federal funds from the general fund to the capital outlay fund.

Contingency funds may be transferred to any budget category, except capital outlay, with Board approval.

The unused portion of money that has been transferred into the special education fund may be transferred from the special education fund within the current fiscal year to the fund from which it originated.

All or any part of any school district fund may be loaned to any other district fund for a period not to exceed twenty-four months.

Legal References: SDCL 13-11-2.1;

SDCL 13-16-14; 13-16-26

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DC
School Board Policy Reference Manual	

TAXING AND BORROWING AUTHORITY - LIMITATIONS

TAXING

State law establishes the district's taxing authority. The district establishes levies in accordance with South Dakota Property Tax Law, which may change annually. The governing body of the school district may impose an excess tax levy with an affirmative two thirds vote of the governing body on or before July fifteenth of the year prior to the year taxes are payable. The decision may be referred upon a resolution of the governing body of the school district or by a petition signed by at least five percent of the registered voters in the school district.

For capital outlay funds, the tax levy cannot exceed 3 dollars per thousand dollars on the taxable valuation of the district, and for special education funds, the tax levy cannot exceed \$1.461 per thousand dollars on taxable valuation. For taxes payable in 2011, 2012, 2013, 2014, and 2015, the levy limitation of one dollar and forty cents per thousand dollars of taxable valuation does not apply to any school district.

BORROWING

By law, the Board is permitted to borrow money in anticipation of the collection of taxes for the purpose of securing funds for school operations. The amount of money borrowed cannot exceed the sum of 95 percent of the amount of uncollected taxes levied for the current school fiscal year, plus other uncollected receivables (including state or federal money, not yet received, but) owed to the district.

Established by law

Legal References: Constitution of the State of South Dakota, Art. XIII, § 5;

SDCL 10-12-29; 10-12-42; 10-12-43;

SDCL 10-13-36;

SDCL 13-10-6;

SDCL 13-15-12; 13-15-13;

SDCL 13-16-10; 13-16-11; 13-16-12; 13-16-13; 13-16-14;

SDCL 13-19-1; 13-19-1.2; 13-19-2; 13-19-2.1; 13-19-3; 13-19-4;

13-19-5; 13-19-6; 13-19-7; 13-19-8; 13-19-8.1; 13-19-9;

SDCL 13-37-16

Last Review: FY2020

Next Review Scheduled For: FY2021

Arlington School District 38-1	NEPN Code: DD
School Board Policy Reference Manual	

FUNDING PROPOSALS AND APPLICATIONS

The Superintendent will apprise the Board of district eligibility for federal, state and foundation grants. The Board will seek and use all funding that is consistent with the advancement of the educational program of the district and the policies of the Board.

The preparation of these proposals will be supervised by the Superintendent and will be coordinated with the budgetary practices and capital improvement program of the district.

Legal References: SDCL 13-39-13

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DE
School Board Policy Reference Manual	

REVENUES FROM TAX SOURCES

In an attempt to provide the best education possible within the financial resources available, the Board will:

1. Request adequate local funds for the operation of the school district. The amount of the financial support requested will yield sufficient revenue for the total expenses of the school district.
2. Accept all available state funds to which the district is entitled by law or through state regulations.
3. Accept all federal funds that are available providing there is a specific need for them and matching funds that are required are available.

Legal References: SDCL 13-11-7;

SDCL 13-13-1 through 13-13-14; 13-13-17 through 13-13-19;

13-13-36; 13-13-37; 13-13-38; 13-13-39; 13-13-41; SDCL 13-14-1 through 13-14-5

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DFA
School Board Policy Reference Manual	

REVENUES FROM INVESTMENTS

School district funds not in use will be invested in savings accounts, time deposits or in bonds or securities issued and guaranteed by the United States government. Interest earned on such investment will be credited to the respective fund or to the general fund.

In accordance with law, money in any bond redemption fund, may be invested in any of the above-mentioned securities, provided the bonds become due and payable before the payment date of the bonds.

The Board will approve the investment of all funds, and this approval will be filed and recorded by the business manager.

Legal References: SDCL 4-5-5; 4-5-8; 4-5-9; 4-5-11 SDCL 13-16-18

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DFB
School Board Policy Reference Manual	

REVENUES FROM SCHOOL-OWNED REAL ESTATE

In accordance with state law, the Board may approve the leasing of any of its real estate for the exploration of oil and gas and its development. Property leased will not interfere with the purposes of the school district. Revenues received from the leasing of such property will be directed into the school district general fund.

Legal References: SDCL 5-2-12; 5-2-13;

SDCL 13-24-5 through 13-24-8; 13-24-10

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DG
School Board Policy Reference Manual	

DEPOSITORY OF FUNDS

As provided by law, the Board will designate a bank depository or depositories for the funds of the school district. It will be the responsibility of the business manager to deposit the money belonging to the school district in the designated bank depository or depositories.

The county auditor and county treasurer will be notified by the business manager as to the designated depositories. The county treasurer will be responsible for transferring all money received during the prior month on behalf of the school district to the depository by the twentieth of the month.

Legal References: SDCL 4-6A-1 et seq.;

SDCL 13-8-10; SDCL
13-11-7;

SDCL 13-16-15; 13-16-15.1; 13-16-18

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DGA
School Board Policy Reference Manual	

AUTHORIZED SIGNATURES

The business manager will draw and sign all checks or warrants for the payment of verified vouchers approved for payment by the Board. Every check or warrant will be counter signed by the president or vice-president of the Board or others as authorized each year by the school board. The check or warrant will specify the person, firm or corporation to whom paid.

No check or warrant will be drawn by the business manager except for the indebtedness incurred prior to its issue and upon the presentation of an itemized invoice, duly verified. The invoice and verification will be retained by the business manager and placed on file in his office.

Legal References: SDCL 13-8-26;

SDCL 13-18-2; 13-18-8

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DGD
School Board Policy Reference Manual	

CREDIT AND PURCHASE CARD USE

The District is committed to using its financial resources wisely. The board recognizes that credit cards and purchase cards may provide school employees with a convenient payment option, particularly in emergency situations, and may also improve business office efficiency.

The board authorizes the use of credit card or purchasing cards for official district purchases and acquisitions. It shall be the responsibility of the business manager to authorize and control the use of credit and purchasing cards, subject to the Board's final approval of payments.

To ensure the proper use of district-issued credit and purchase cards, the business manager shall develop appropriate administrative regulations to accompany this policy. The regulations shall include, but are not limited, to:

1. Procedures for the issuance, return and revocation of district-issued credit or purchase cards, including consequences for individuals who make unauthorized purchases;
2. Guidelines that establish acceptable purchases, including procedures to ensure purchases made at unapproved merchants are disallowed or blocked;
3. Appropriate single-purchase and monthly spending limits;
4. Procedures for making phone, fax or internet purchases;
5. Procedures that ensure all cardholders understand the district's credit and purchase card use policies, including the cardholder agreement that must be signed by each person in possession of a district-issued credit or purchase card;
6. Procedures designed to comply with district financial audits, including any required documentation of original receipts;
7. Controls to provide for the periodic review and reconciliation of credit and purchase card statements, including procedures that ensure purchases by employees are reviewed by someone other than the cardholder.

Any cardholder benefits or revenue generated from the use of district-issued credit or purchase cards shall be for the exclusive use of the district.

Legal References: SDCL: 4-3-27 (Credit card use and electronic payment for purchases)

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DH
School Board Policy Reference Manual	

BONDED EMPLOYEES AND OFFICERS

School district business managers must be bonded for an amount determined by the School Board. The bond of the business manager will not be less than the amount that may come into his possession at any one time during the school fiscal year.

School personnel authorized to be in charge of trust and agency funds must also be bonded. When several school district personnel need to be bonded, the Board will approve a blanket bond.

Legal References: SDCL 3-1-5; 3-1-8;

SDCL 3-19-1; 3-19-2, 3-19-3;

SDCL 13-8-18; 13-8-19; 13-8-20; 13-8-21;

SDCL 13-16-19; 13-16-20

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DI
School Board Policy Reference Manual	

FISCAL ACCOUNTING AND REPORTING

The Business Manager will be designated by the Board to be responsible for receiving and properly accounting for all funds of the district.

The Uniform Financial Accounting System for South Dakota School Districts will be used to record receipts and disbursements of the district.

The Business Manager will report all financial information to the state as required. The Board will receive monthly financial reports from the business manager that will include a statement of operating receipts and expenditures, and balance on hand in the several funds, a budget position report, and any other financial information that should be brought to the Board's attention.

Legal References: SDCL 4-11-6;

SDCL 13-16-19

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DIB
School Board Policy Reference Manual	

TYPES OF FUNDS

School district funds are all moneys received by the school district or schools within the district or as a result of an activity carried on by the district.

All school district funds will be dispensed among the following funds: the general fund; capital outlay fund; special education fund; public service enterprise fund; trust and agency fund; or bond redemption fund.

Sources for school district funds include: income from school property; school district borrowing through bonds or promissory notes; taxes; funds received from federal, state or other political subdivisions; funds received from individuals or organizations through paid admission, payments for materials, services, gifts or trusts; funds received from fines and penalties; and any other funds received by the school district or schools from any other source.

Legal References: SDCL 13-16-1; 13-16-2; 13-16-3; 13-16-4

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DIC
School Board Policy Reference Manual	

FINANCIAL REPORTS AND STATEMENTS

It will be the responsibility of the business manager to prepare monthly financial reports for the Board's review. Reports will include budget, trust or agency funds, and special accounts.

At the close of the fiscal year, the business manager will report to the county auditor the total indebtedness of the district, the purpose for which issued, the liabilities, assets, resources and expenditures, and the total receipts and disbursements.

Legal References: SDCL 6-9-1;

SDCL 13-16-21

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DID
School Board Policy Reference Manual	

INVENTORIES

The school district shall annually cause an inventory of personal property to be made and placed on file with the business manager by July 10. Personal property with an original value greater than \$5,000 shall be included in the inventory.

General fixed assets are divided into five main classes: land, buildings, improvements (other than buildings), equipment, and construction work in progress. Fixed assets may be marked by a permanent method of identification. Periodic inventories should be taken by personnel designated by the superintendent. Generally accepted accounting principles require that each school adopt a dollar value indicating which fixed assets should be capitalized.

In the acquisition of or additions to real property, plant, or equipment, any expenditure of one thousand dollars (\$1,000) or more shall be paid from the capital outlay fund. The \$1,000 limitation shall apply to the total of each asset type on an invoice. Equipment purchases per invoice of less than \$1,000 may be acquired from either the general or capital outlay fund.

Legal References: SDCL 5-24-1; 5-24-3

SDCL 13-16-6

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Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DIE
School Board Policy Reference Manual	

AUDITS

For any necessary reason an audit of the books of any school district may be called at any time by the Board or the electors of the district by petition signed by 20 percent of the resident taxpayers of the district as shown by the assessment roles of the preceding year, or the Auditor General.

The school district shall have financial and compliance audits performed at least every two years. The audit may be done by the Department of Legislative Audit or by a private firm authorized by law to audit financial records of school districts.

Trust and agency funds of the school district must be internally audited annually by a person selected by the Board.

Legal References: SDCL 4-11-5; 4-11-7.1; 4-11-7.2; 4-11-9; 4-11-12 through 4-11-19;
SDCL 13-16-28.

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DJ
School Board Policy Reference Manual	

PURCHASING

The function of purchasing is to serve the educational program by providing the necessary supplies, equipment and services.

The Board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. The Board will abide by the letter and the spirit of all laws and regulations relating to purchases by the school district and the control of its finances and property. All contracts must be approved by the Board in order to be binding on the school district.

Within the framework of applicable laws and regulations, purchases and use of materials and manpower will be made in accordance with good business practices with the primary purpose of serving the instructional program.

The Superintendent will serve as the purchasing agent. The Superintendent will develop and administer the purchasing program for the schools with the assistance of the business manager, within the legal requirements and the adopted school budget.

School purchases will be made only on official purchase orders approved for issuance by the appropriate unit head and signed by the Superintendent, with such exceptions as may be made by the latter for emergency purchases and those made with petty cash funds.

Legal References: SDCL 13-16-24; SDCL 13-20-1;
13-20-3.

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DJA-R
School Board Policy Reference Manual	

PURCHASING PROCEDURES

All materials to be ordered by the school district staff, whether for local or out-of-town orders, must be requisitioned through the Superintendent's office for processing by the business office. The business office will maintain a central record system for the purpose of combining orders, avoiding duplication of purchases, taking full advantage of lowered prices for bulk purchasing, to follow up on delayed orders of delivery and to reconcile deliveries to orders before payment is made. This delivery control will be applied to all purchases, regardless of point of delivery.

Principals and department heads will examine carefully all requisitions submitted by teachers, custodians and other employees for supplies, equipment and services. They will be responsible for verifying that items requested are needed before signing the requisition and sending it to the Superintendent.

All orders must include the name and address of the supplier as well as the purchase price. If the exact price is unavailable, an estimate of the cost should be given.

If any person orders materials other than through the Superintendent's office he will be responsible for their payment.

Legal References:

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DJB
School Board Policy Reference Manual	

PETTY CASH ACCOUNTS

In accordance with law, the Board may establish petty cash accounts for the schools in the district, not to exceed the amount of \$1000 in each account. This account may be used to facilitate refunds and minor purchases of the school district.

Expenditures against this account must be itemized, documented with receipts, and will be charged to the applicable fund. After a budget item is exhausted, no expenditures against the item may be made from petty cash.

The Board will authorize an employee in each school to be accountable for the petty cash account. Disbursements from the account will not require Board approval or the signature of the Board president or the business manager.

Legal References: SDCL 13-18-16

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DJBA
School Board Policy Reference Manual	

INCIDENTAL ACCOUNTS

In accordance with law, the Board may establish an incidental account in an amount determined by the board by setting aside, on an imprest basis, money from the general fund. This fund may be used for advanced payment or for claims requiring immediate payment, not to exceed the amount established by the board.

Expenditures against this account must be itemized, documented with receipts, and will be charged to the applicable fund. After the budget item is exhausted, no expenditures against the item may be made from the incidental account. The board will authorize an employee in each school to be accountable for the incidental account.

All expenditures from this account shall be listed with other bills in the regular school board proceedings.

Legal References: SDCL 13-18-17

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DJC
School Board Policy Reference Manual	

BIDDING REQUIREMENTS

In accordance with state bidding laws, bidding is required when a purchase or contract equal to or exceeding \$25,000 is anticipated, or if the contract is for the construction of a public improvement in excess of \$50,000 except in the following cases:

1. For the purchase of utility services such as electric power, lights, water or gas.
2. Purchases of materials, supplies or equipment from the United States or its agencies including Federal surplus property.
3. Equipment repair contracts.
4. Purchasing textbooks and text-related workbooks.
5. When purchasing facilities, equipment and supplies from another public corporation or at public auctions if in compliance with South Dakota Law.
6. Purchases from the lowest bidder of an item contained on the state price list or from any vendor for the exact same item if less than the state price list.
7. Purchases from the lowest responsible bidder of an item competitively bid by any local government within the previous twelve months unless trade in allowances are involved.
8. Purchases of raw materials used in construction or manufacture of products for resale, and contracts for asbestos removal in emergency response actions, real estate services and auction services.
9. For services provided by individuals or firms for consultants, audits, legal services, architectural and engineering services, insurance and transportation of students.
10. Purchases of computer programs and software, communication technologies, computers, peripheral equipment and related connectivity.
11. Change orders to an existing contract for construction, reconstruction or remodeling that are in compliance with South Dakota Law.
12. Purchases of real property having a particular use or benefit.
13. Guaranteed energy savings contracts.
14. Purchases of perishable or unprepared foodstuffs.
15. Upon the purchase of copyrighted materials that are copyrighted by only one company.

16. If there is only one source for the required service or item of tangible personal property other than construction services or equipment.
17. An emergency due to a casualty loss, natural disaster or sudden deterioration resulting in destruction to a vital piece of equipment which would require closing of school, or which will endanger the usefulness of remaining school property.

Bids for materials, supplies or equipment will be advertised and printed in the official newspaper of the district at least twice, the first publication at least ten days prior to the opening of bids. The advertisement will state the time and place the bids will be opened and passed upon by the Board. In the notice the Board will reserve the right to reject any and all bids.

When the contract is for the construction of a public improvement the advertisement must state where the plans and specifications may be examined. In specifying or purchasing goods, merchandise, supplies or equipment, the Board will not specify any trade-mark or copyrighted brand on any product or any patented product, apparatus, device or equipment where proper competition will be prevented unless bidders also are asked for bids or offers upon other articles of like nature, utility and merit, and naming the make or brand to indicate the type or quality specified.

The sealed bids will be publicly opened and read at the time and place stated in the advertisement. Any bid may be withdrawn or modified before the time of opening as specified in the advertisement. Unless all bids presented are rejected, the lowest responsible bid, in all cases must be accepted.

If after advertising for bids no bids are received the Board may negotiate a contract for the purchase of the materials, supplies or equipment at the most advantageous price. However, such materials, supplies or equipment will meet the specifications of the original advertisement for bids.

The Board will contact and attempt to obtain competitive quotations from at least three suppliers. A record of the names of the suppliers, the quotations received and the procurement procedures used in purchasing will be documented, noted in the minutes, and retained on file by the Board. The Board may reject all bids and negotiate a contract if after advertising no firm competitive bids are received.

When supplies or equipment, or construction or remodeling services are to be purchased the Board may require a reasonable deposit or bid bond by the bidders. The deposit or bonds must be returned to unsuccessful bidders immediately. No more than 30 days will elapse between opening of bids and acceptance of the lowest responsible bidder or rejection of all bids.

When supplies and equipment are received they will be opened and inspected by the purchasing agent, and compared with the written order to see that they were received as ordered and in acceptable condition for payment. If someone other than the purchasing agent, receives such supplies or equipment for the school district, this person will be required to sign the voucher for payment to the effect that they were received as ordered.

The purchasing agent of the school district will sign all vouchers before the Board authorizes their payment.

Legal References: SDCL 1-33B-9 (Contracts not subject to Chap 5-18 and 5-23);

SDCL 13-16-6.1 (Bidders agreement to state rate and schedule);

SDCL 13-20-3 (Biddings on contracts for const., supplies or equip.);

SDCL 13-20-4 (Emergency maint. needs corrected w/o advertising);

SDCL 13-20-5 (Purchases from another school dist. w/o advertising);

SDCL 13-20-6 (Purchase of copyrighted material without advertising);

SDCL 13-20-7 (Right to reject bids);

SDCL 13-20-7.1 (Right to reject bids reserved);

SDCL 5-18A (Public Agency Procurement)

SDCL 5-18B (Procurement of Public Improvements)

SDCL 5-18C (Procurement by Local Government Units)

SDCL 5-18D (Procurement by State Agencies)

A.G. Opinion 77-65, 77-76, 77-87, 85-24, 86-01 and 86-2

Cross References: FEFB, Contractor's Affidavits and Guarantees

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DJD
School Board Policy Reference Manual	

LOCAL PURCHASING

In accordance with state law, the Board will give preference to products found, produced or manufactured within the State of South Dakota when purchasing materials, products and supplies for the school district.

Contracts may be awarded to out-of-state bidders if the service or product required cannot be provided by an in-state bidder. A resident bidder shall be given preference on a contract against the bid of any bidder from any other state that has a bidder preference law. The preference given shall be equal to the preference of the other state. In bids for milk or milk products the resident bidder shall receive the local bid contract if his bid is equal to, or within, five percent or less of any other bidder.

Legal References: SDCL 5-18A-25 (Preferences for services)

SDCL 5-18A-26 (Resident bidder preference)

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

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Arlington School District 38-1	NEPN Code: DJF
School Board Policy Reference Manual	

PURCHASING PROCEDURES

All materials to be ordered by the school district staff, whether for local or out-of-town orders, must be requisitioned through the Superintendent's office for processing by the business office. The business office will maintain a central record system for the purpose of combining orders, avoiding duplication of purchases, taking full advantage of lowered prices for bulk purchasing, to follow up on delayed orders of delivery and to reconcile deliveries to orders before payment is made. This delivery control will be applied to all purchases, regardless of point of delivery.

Principals and department heads will examine carefully all requisitions submitted by teachers, custodians and other employees for supplies, equipment and services. They will be responsible for verifying that items requested are needed before signing the requisition and sending it to the Superintendent.

All orders must include the name and address of the supplier as well as the purchase price. If the exact price is unavailable, an estimate of the cost should be given.

If any person orders materials other than through the Superintendent's office he will be responsible for their payment.

Legal References:

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled For: FY2024

Arlington School District 38-1	NEPN Code: DJG
School Board Policy Reference Manual	

VENDOR RELATIONS

The School Board wishes to maintain good working relations with vendors who supply materials, supplies and services to the district. Constructive efforts by the administration to seek the advice and counsel of vendors about how to improve such relationships are encouraged, subject to the limitations of the district's policies.

School officials involved in the selection or purchase of materials and services shall abide by district conflict of interest policies and avoid situations that could interfere, or appear to interfere, with the ability to make free and independent decisions regarding purchases on behalf of the district.

Each purchase shall be made with a commitment to the ethical expenditure of district resources and on the basis of quality, price and delivery, with past service being a factor if all other considerations are equal. Vendors have no obligation to contribute to solicitations from schools and any contributions on behalf of vendors shall be accepted according to applicable district policies with the expectation that the district shall not extend favoritism to any vendor.

No employee shall endorse any product of any type or kind in such manner as will identify him/her in any way as an employee of the District.

SOLICITATIONS

Suppliers are encouraged to submit information about their products to the District's purchasing supervisor. The purchasing supervisor will meet with vendors to discuss their products as time and schedule allow.

VENDOR RELATIONS WITH SCHOOLS, STAFF AND STUDENTS

No agent or salesperson shall be permitted to discuss business propositions, to distribute business propositions, or to canvass students and/or employees on district property unless approved by the Superintendent or a designee.

School officials shall not accept gifts from suppliers, contractors and others doing or seeking to do business with the school system if the gift serves no ethical business purpose or would create an actual or perceived embarrassment to the school district upon public disclosure.

Any employee receiving a gift from a vendor, contractor, or supplier with an estimated value in excess of \$50 shall report such gift to the business manager where a record of such gifts shall be maintained.

Legal References: SDCL 5-18A (Public Agency Procurement)

SDCL 5-18B (Procurement of Public Improvements)

SDCL 5-18C (Procurement by Local Government Units)

SDCL 5-18D (Procurement by State Agencies)

SDCL 6-1-1 (Local officer interest in public purchase or contract)

SDCL 6-1-2 (Conditions for local officer contract permitted)

SDCL 13-20 (School District purchases and contracts)

Cross References: BBFA, Board Member Conflict of Interest

GBCA, Staff Conflict of Interest

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DK
School Board Policy Reference Manual	

PAYMENT PROCEDURES

All claims for payment from district funds will be processed by the business manager. Payment will be authorized against invoices properly supported by approved purchase orders, against properly submitted vouchers, or in accordance with salaries and salary schedules set by the Board.

List of accounts payable, including payroll lists, will be certified by the Superintendent and approved by the Board. Each registered warrant will be signed by the Board president and the business manager will sign the endorsement statement. Actual invoices, statements and vouchers will be available for Board inspection.

The business manager will assume responsibility for assuring that budget allocations are observed and that total expenditures do not exceed the amount allocated in the budget for all items.

The school principals will be responsible for observing budget allocations in their respective schools. Each will also serve as custodian of the activity accounts in his or her respective school and will be responsible for their proper handling and expenditures.

Legal References: SDCL 13-18-9 through 13-18-13

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DLA
Arlington School Board Policy Reference Manual	

PAYDAY SCHEDULES

The School Board has established that all employees will be paid for their services on the twentieth day of each month or the last work day prior to the pay date if the twentieth falls on a weekend or holiday.

Employees will normally be paid on a 12-month schedule or they may choose a nine month option by notifying the business office prior to the contract year.

Legal References:

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DLB
School Board Policy Reference Manual	

SALARY DEDUCTIONS

Deductions will be made from the paychecks of all employees for federal income tax, for retirement in keeping with state requirements and for OASI (Social Security).

ADDITIONAL DEDUCTIONS

In addition, the Board authorizes the following types of deductions from employee salaries, provided the employee has filed the proper permission or payroll withholding:

- 1. Employee contributions to the health and life insurance programs and any other similar programs that are or may be approved by the Board.

- 2. Deductions for tax-sheltered annuity programs.

Legal References: SDCL 3-10;

SDCL 3-11;

SDCL 3-12

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DLC
School Board Policy Reference Manual	

EXPENSE REIMBURSEMENTS

Personnel and officials who incur expenses in carrying out their authorized duties will be reimbursed by the district upon submission of a properly filled out and approved voucher and such supporting receipts as required by the business manager. Reimbursement will be in accordance with Board approved travel allowance, which will comply with the limits established by the State Board of Finance.

Such expenses may be approved and incurred in line with budgetary allocations for the specific type of expense.

When official travel by personally owned vehicle has been authorized, mileage payment will be made at the rate currently approved by the Board, and in accordance with the State Board of Finance.

Legal References: SDCL 3-9-1; 3-9-2; 3-9-5; 3-9-5.1; 3-9-5.2; 3-9-8 through 3-9-17;

SDCL 4-7-10.4;

Governor's Budget Report (odd-numbered years).

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DM
School Board Policy Reference Manual	

CASH IN SCHOOL BUILDINGS

Money collected by school district employees and by student treasurers will be handled with good and prudent business procedures both to demonstrate the ability of school system employees to operate in that fashion, and to teach such procedures to the students.

All moneys collected will be receipted and accounted for and deposited properly.

The amount of money retained overnight in schools will be limited to that needed for day to day operation.

Cafeteria receipts, other than moneys needed for daily operations, will be deposited daily when possible or locked in the school business office safe.

Legal References:

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024

Arlington School District 38-1	NEPN Code: DN
School Board Policy Reference Manual	

SCHOOL PROPERTIES DISPOSAL PROCEDURE

The Board may sell property of the school district that it considers no longer necessary, useful or suitable for school purposes. No board action is required to sell, trade, destroy, or dispose of consumable school supplies, printed text, or subscriptions. All property sold must be appraised by three real property owners of the school district unless that property is to be traded for other property, destroyed, transferred to another political subdivision, was created as result of an educational program, or is to be sold at public auction. The governing board may employ a person or persons licensed by the state to do fee appraisals in lieu of property owners.

Property appraised for less than \$500 may be sold without advertising for bids. Property, including property created as a result of an education program, appraised for more than \$500 will be advertised for sale in the official newspaper for two consecutive weeks, the first publication may not be less than 10 days before the sale. The notice of sale will describe the property to be sold and the time when the Board or its representative will open bids. Sealed bids will be filed with the business manager and opened at the Board meeting as specified in the notice.

The Board will sell the property to the highest bidder. However, the board may reject any or all bids.

In lieu of the acceptance of bids, school property may be sold at public auction. The auction will be advertised by posting notices and newspaper advertising as described above. Property sold at public auction need not be appraised but the board should establish a minimum price.

Any school district library may discard over-duplicated, outdated inappropriate or worn library materials in accordance with state laws. Such discarded materials may be given to other libraries or to nonprofit agencies, destroyed, offered for public sale or traded to a vendor for future library material purchasing credits.

By law the district may also exchange or transfer property to another political subdivision. The governing boards of the respective jurisdictions will determine the terms and conditions of this exchange or transfer.

Legal References: SDCL 6-13; SDCL 13-15-7; SDCL 13-24-4; 13-24-9

Adopted: FY2012

Last Review: FY2019

Next Review Scheduled for FY2024