

POLICY OF OSAKIS PUBLIC SCHOOL, ISD 213

Approved by the Board on 12/12/2022

Policy #730: Expenditures

District employees are authorized to spend district funds within the parameters of the District budget to support state and federal requirements, District initiatives, and School Board Policies.

Purchasing

The function of purchasing is to serve the educational program of the District by providing the necessary supplies, equipment and services. All purchases should be made competitively. Competitive purchases are made in accordance with the state statutes and guidelines (Minnesota Statute 471.345). The District Office will provide guidance to employees making purchases to ensure they are knowledgeable of the competitive process and retain proof that it was followed as required by state statute.

The budget for the fiscal year is the authorization for all purchases made during that fiscal year. The budget is developed by the District Office with guidance from the Superintendent and approved by the School Board. Capital purchases are recommended by the School Board Finance Committee, with approval by the School Board. Project expenses are recommended by the Facilities Committee, with approval by the School Board. Expenses related to funds received from grants will be expended in accordance with the guidelines or rules of the organization or government providing the grant.

Employees may request purchases be made if authorized within their Annual budget, Capital budget, Grant budget, or Project budget. Requests must be approved by the Supervisor or Higher Authority* of the respective budget area. To ensure proper coding of the expense, the Bookkeeper must also authorize the purchase. Final approval is made by the Business Manager to verify the process has been followed.

Receipt of Merchandise

Merchandise will be received, inventoried, and managed by the employee making the expenditure. It is not usual for school merchandise to be stored off School premises. The employee must gain Higher Approval Authority* for any merchandise that is stored off School premises. For technology items used for remote work, the employee is responsible for ensuring the security and safety of the data and expected to work with the Information Technology Department to have proper controls on those items.

Appropriate Expenditures

District funds are public funds and, in accordance with state and federal law, must be spent for public purpose in a way that benefits the public and is directly related to the District's mission to educate students. Examples of appropriate expenditures of district funds include but are not limited to:

- Staff, supplies, furniture and equipment for instructional, classroom and office use;
- Cocurricular staff, supplies and equipment;
- Technology/audio-visual staff, supplies, and equipment;
- Reference materials;
- Remodeling, repairing or maintaining district buildings, grounds and equipment;
- Professional services such as auditors, lawyers, architects, engineers, interpreters, etc;
- Contracted services such as election judges, snow plowing, garbage removal, electricians, mechanics, etc;

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- Costs incurred to hold meetings related to district issues, including facility rental, speakers, and materials;
- Employees participating in approved out-of-district workshops, conferences, and seminars (including registration fees, transportation, lodging, and materials within the guidelines of District Policy #732 for Conference/Meeting Attendance Expense Allowances).
- Meals for employees and/or School Board members at district-sponsored workshops, conferences, or meetings which run over a meal hour when there is no opportunity for the participants to leave the activity to purchase their own meal;
- Purchase of staff, services, supplies, and equipment to provide student food services and transportation services;
- Costs of supplies, materials, and other expenses related to school fundraising activities
- Grant monies may be expended for the purposes authorized in the grant, and
- Recognition programs for employees, including teachers (not to include monetary awards).

Inappropriate Expenditures

District funds may not be expended in ways that do not serve a public purpose related to district functions. Examples of inappropriate expenditures of district funds include, but are not limited to:

- Gifts, flowers, meals, mileage or similar items for non-school functions, including for employees, students, members of a student's family, volunteers or other people's personal events such as birthdays, secretary's day, boss's day, appreciation activities, funerals, illness, and retirement parties, contributions to sunshine funds, social activities, etc;
- Meals, food or refreshments (unless specifically defined above) for employees at meetings or for any other reason except when an employee meeting must be held over a meal hour;
- Alcoholic beverages, tobacco, tobacco products, CBD products and activated electronic delivery devices (liquid or electronic cigarettes, vaping devices), lottery tickets, and gift cards/gift certificates
- Donations or contributions to students, employees, families or other organizations;
- Entertainment or recreation costs incurred by an employee while attending a conference, seminar, workshop, team-building activity or other staff development event or while participating in a social activity with other employees;
- Meals, food, or refreshments for students as incentives or rewards, except when considered to be an integral part of the course and curriculum and/or part of the individual student's educational plan;
- Marketing activities that include giving away token gifts with school or district logos;
- Decorations (such as plants, pictures, etc.) for an individual employee's work space (as opposed to decorations that enhance the work area as a whole);
- Costs of persons who are not district employees accompanying a district employee to a seminar, workshop, conference, team-building activity or other staff development event;
- Personal long-distance phone calls and long-distance faxes;
- Meals for third parties, such as consultants, independent contractors, community organizations; or officials or representatives from other school districts, municipalities and other government agencies, and
- Minnesota sales tax purchases

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- Any use of Student Activity Funds raised by students for students for a purpose not in line with District guidelines for use of Student Activity Funds.

Conflict of Interest

To gain approval and authorization of expenses in areas where a Conflict of Interest may exist, the employee or School Board Member will appropriately notify the Higher Authority* of the Conflict of Interest and follow State Statute and guidelines. That may result in abstaining from an approval vote and/or receiving authorization/approval from a Higher Authority* or the School Board. Authorization for purchase or payment cannot proceed until the *Higher Authority* is notified and given appropriate documentation supporting the request. Appropriate documentation would be information needed to assure a purchase was made competitively and/or expenses incurred were appropriate under this and other District policies and/or compensation to a district employee was justified by an approved budget with a schedule of the hours worked.

*Higher Approval Authority is your immediate Supervisor based on the chart below:

Personnel	Higher Approval Authority
School Board Member	School Board
Superintendent	Designated School Board Member/School Board
Elementary and High School Principals	Superintendent
Department Area Managers (Custodial, Food Service, Grounds, IT, Bus Service Manager, Activities Director)	Superintendent
High School Faculty and Staff	High School Principal
Elementary Faculty and Staff	Elementary Principal
District Office Staff	Superintendent
Shared Staff	Department Area Managers (Custodial, Food Service, Grounds, IT)
Special Education Director/Executive Director Runestone Area Education District (Federal/State Special Education funding)	Superintendent