

DISTRICT FINANCIAL MANAGEMENT

1.0 PURPOSE:

Wirt County Schools recognizes that prudent trusteeship of the resources of the district dictate that a thorough system of accounting and monitoring procedures for all monies be implemented. Budgeting, purchasing, safeguarding, and accounting for the resources of a school system are imperative for an efficient and effective operation.

2.0 DEFINITIONS:

The following definitions provide clarification for terms used throughout this policy:

- 2.1 Capital asset – Assets whose installed cost is greater than the capitalization level and whose useful life exceeds one year.
- 2.2 Capitalization level – The level at which capital assets are reported for financial statement purposes. All financial statements, including reports submitted to the West Virginia Department of Education, must use a capitalization level of \$5,000 for all assets other than buildings and \$100,000 for buildings.
- 2.3 Nominal value – The value of the good is very small which for gifts received is defined as being \$25 or less.
- 2.4 Procurement – Process by which goods and services are obtained.
- 2.5 Unauthorized purchase – Purchase made before an expressed approval was given, generally, before a purchase order was issued.

3.0 GENERAL REQUIREMENTS:

- 3.1 The Board recognizes and will adhere to state and federal statutes governing financial management such as in the areas of budget development, purchasing, receipting, expenditures, reporting, auditing, and capital asset management. All areas will comply with guidance issued in the West Virginia Board of Education Policy 8200, *Purchasing Policies and Procedures Manual for Local Educational Agencies*, the West Virginia Department of Education manual, *Capital Asset Management System for Local Educational Agencies in the State of West Virginia*, the West Virginia Board of Education Policy 1224.1, *Accounting Procedures Manual for the Public Schools in the State of West Virginia* and the West Virginia Board of Education Policy 8100, *Handbook for School Finance in West Virginia*.
- 3.2 All procurement transactions shall be conducted in a manner that provides full and open competition, consistent with the ethical standards specified in state and federal statutes and policies.
- 3.3 No board member, officer, or employee shall solicit or accept gratuities, favors, or anything of monetary value from contractors, vendors, or parties to any awards, agreements, or contracts. This prohibition does not apply to unsolicited gifts of nominal value whose value is less than \$25 as determined by the West Virginia Ethics Commission.

- 3.4 The Board is responsible for the purchasing, receiving, safeguarding, and disposing of all goods and services obtained for use by the school system. This authority is hereby delegated to the Superintendent and/or designee.
- 3.5 Any individual making an unauthorized purchase may incur a personal obligation to the vendor for the expense incurred even though the materials or services are used in the school system.
- 3.6 Accounting for capital assets which meet the capitalization level shall be maintained on the West Virginia Education Information System (WVEIS).

4.0 ADMINISTRATIVE GUIDELINES:

The Board authorizes the Superintendent to establish written administrative guidelines to facilitate enforcement of and compliance with this policy.

5.0 SEVERABILITY:

If any provision of this policy or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this policy.

6.0 REVIEW SCHEDULE:

This policy shall be reviewed in accordance with the policy review schedule published by the Superintendent.

Authority: WV Code §18-5-13, 18-9b-12, 18-9b-10, 18-9-3, 11-8-26, 12-3-18, and WV Board of Education Policies 1224.1, 8100 and 8200.

Replaces: Wirt BOE Policy DD-R October 11, 1999; DG-R December 14, 1998; DF-R December 14, 1998; DGI-R December 14, 1998; DB-R July 13, 1998; DGG-R October 12, 1998; DGF-R October 12, 1998; DGE-R October 12, 1998; DC-R October 12, 1998; and DCB-R October 12, 1998