



**2019 - 2020**

**District Fiscal  
Policies**

<b>District Fiscal Policies</b>	<b>2019 - 2020</b>
7.1 Fiscal Year	No Revision
7.2 Annual Operating Budget	No Revision
7.3 Millage Rate	No Revision
7.4P Funding Proposals, Grants, Special Funding	No Revision
7.4P1 Revenues from Tax Sources	No Revision
7.4P2 Revenues from Tax	No Revision
7.5F Commodities Bidder Affidavit	No Revision
7.5F2 Food Service Commodities Bidder Affidavit	No Revision
7.5P Purchases And Procurement	<b>Revised</b>
7.6 Activity Account	No Revision
7.6P Petty Cash	No Revision
7.7 Cash in Classrooms	No Revision
7.8 Personal Property	No Revision
7.9 Property Insuranc	No Revision
7.10 Public Use Of School Buildings	No Revision
7.10P1 Public Use of Buildings	No Revision
7.10P1 Rental and Service Charges	No Revision
7.11 Use of School Funds for Non-School Related Purposes	No Revision
7.12 Expense Reimbursement	No Revision
7.13 Management and Disposal of District Property	No Revision
7.14 Use Of District Cell Phones And Computers	<b>Revised</b>
7.15 Record Retention And Destruction	No Revision
7.16 Information Technology Security	No Revision
7.17 Food Service Prepayment	<b>Revised</b>
7.18 Disposal of Non-negotiated Checks or Unclaimed Property	No Revision
7.19P1 Service Animals In District Facilities	No Revision
7.20—Electronic Fund Transfers	No Revision
7.21P1 Facilities Plannings	No Revision
7.21P2 Naming Facilities	No Revision
7.22 Private Sponsorship Of Extracurricular Events	No Revision
7.23 Health Care Coverage And The Affordable Care Act	<b>Revised</b>
7.30P Authorized Signatures	No Revision
7.31P Financial Reports and Statements	No Revision
7.32P Inventories	No Revision
7.33P Audits/Financial Monitoring	No Revision
7.34P Taxing and Borrowing Authority/Limitations	No Revision
7.36P Bid Protests	No Revision

## 7.5 Purchases and Procurement

Purchases shall be made in accordance with State laws and procurement procedures governing school purchases that are deemed to be in the best interest of the District and are the result of fair and open competition between qualified bidders and suppliers. No bids shall be taken for professional services.

The Director of Purchasing, under the supervision of the Chief Financial Officer, will be responsible for implementing centralized purchasing through procedures set forth in a Regulations and Procedures Manual approved by the Chief Financial Officer, Superintendent and the Board.

The Board's authority for the purchase of materials, equipment, supplies and services is extended to the District administration through the detailed listing of such items compiled as part of the budget making process and approved by the Board through its adoption of the budget. The purchase of items and services on such lists requires no further Board approval except when must be put to bid by law or Board policy.

### Definitions

"Commodities" are all supplies, goods, material, equipment, computers, software, machinery, facilities, personal property, and services, other than personal and professional services, purchased on behalf of the District.

"micro-purchases" are purchases with a value of less than three thousand five hundred dollars (\$3,500) when purchased with Federal funds.

"Professional services" are legal, financial advisory, architectural, engineering, construction management, and land surveying professional consultant services.

"Specifications" means a technical description or other description of the physical and/or functional characteristics of a commodity.

### Commodities

The superintendent shall develop procedures for the procurement of micro-purchases that provide for the distribution of purchases between eligible vendors to the extent possible.

Purchases of commodities with a purchase price of more than \$20,000 require prior Board approval; however, if an emergency exists, the Superintendent may waive this requirement.

The district shall notify in writing all actual or prospective bidders, offerors, or contractors who make a written request to the district for notification of opportunities to bid. The notification shall be made in sufficient time to allow actual or prospective bidders, offerors, or contractors to submit a bid or other appropriate response. The board shall accept bids submitted

electronically by email or fax for any and all district purchases, unless specified to be submitted by other means or methods, and except those bids which have been specified to have a designated date upon which the bids shall be opened. The superintendent shall be responsible for ensuring submitted bids, whether written, faxed, or emailed, are retained in accordance with policy

The district will not solicit bids or otherwise contract for a sum greater than twenty-five thousand dollars (\$25,000) with vendors that are on the "excluded parties list" if the contract is to be paid from federal funds.

All purchases for a Federal program with an estimated purchase price between ten thousand dollars (\$10,000) and twenty thousand nine hundred ten dollars (\$20,910) and all purchases of commodities with an estimated purchase price that equals or exceeds twenty thousand nine hundred ten dollars (\$20,910) shall be procured by soliciting bids. Specifications shall be devised for all commodities to be bid that are specific enough to ensure uniformity of the bid and yet not so restrictive that it would prevent competitive bidding. The bid specifications shall not include the name or identity of any specific vendor. The Board reserves the right to reject all bids and to purchase the commodity by negotiating a contract. In such an instance, each responsible bidder who submitted a bid shall be notified and given a reasonable opportunity to negotiate.

Bids shall be awarded after careful examination of the details of the bid to determine the best overall value to the District. In instances where the low bid was not accepted, a statement of the reasons the low bid was not accepted shall be attached to the bid. Bidders submitting written bids shall be notified in writing of the bid award.

Whenever possible, a preference will be given to certified small and minority business. Women's business enterprises; and labor surplus area firms pursuant to State Procurement law §R1:19-11-231:3. The following procedure will be included to insure Minority participation when possible.

1. Placing qualified small, minority businesses and women's business enterprises on the solicitations list;
2. Assuring that certified small, minority businesses and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible into smaller tasks or quantities to permit maximum participation by small, minority businesses and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourages participation by certified small, minority businesses and women's business enterprises;
5. Using services and assistance, as appropriate, such as organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) above.

The following commodities may be purchased with State funds without soliciting bids provided that the purchasing official determines in writing that it is not practicable to use other than the required or designated commodity or service, and a copy of the written determination is attached to the purchase order:

1. Commodities in instances of an unforeseen and unavoidable emergency;
2. Commodities available only from the federal government;
3. Utility services;
4. Used equipment and machinery; and
5. Commodities available only from a single source.

Commodity purchases with Federal funds may be purchased without soliciting bids only when one or more of the following circumstances apply:

1. The item is available only from a single source;
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. The Federal awarding agency or appropriate unit of the Division of Elementary and Secondary Education expressly authorizes the noncompetitive purchase in response to a written request from the District ; or
4. After solicitation of a number of sources, competition is determined inadequate.

The District may purchase a new motor vehicle, other than a school bus, without soliciting bids if, at the time of the purchase, the:

- a. Purchase is from a motor vehicle dealer licensed in Arkansas;
- b. Purchase price of the motor vehicle does not exceed the fleet price awarded by the Office of State Procurement; and
- c. Motor vehicle to be purchased is the same make and model motor vehicle as the make and model the fleet price was awarded for by the Office of State Procurement.

Prospective bidders, offerors, or contractors may appeal to the district's superintendent if they believe the district failed to follow district bidding and purchasing policy or state law.

Any award of a contract shall be subject to revocation for ten (10) working days from:

- o The initial awarding of the contract; or
- o If an appeal is received, resolution of the appeal.

The intent is to provide prospective bidders, offerors, or contractors the opportunity to appeal the bid award if they believe the facts warrant an appeal. Any appeal shall be in writing by certified mail and received by the district office, "attention to the superintendent" within seven (7) calendar days following the initial and revocable award of the contract.

If the district receives an appeal of a bid award, they shall notify, in writing, those prospective bidders, offerors, or contractors who have made a written request to the district for notification of opportunities to bid that an appeal has been submitted. The notification shall state:

- that the contract award has been halted pending resolution of the appeal and could be revoked;
- the reasons for the appeal;
- that the recipient of the letter may respond to the protested issues identified in the appeal;
- the date the decision on the appeal will be made and notification sent;
- that if the appeal is upheld, the bidding process will be re-opened;
- that if the bidding is re-opened, changes will be made to the request for bids as necessary to satisfy the reasons for upholding the appeal.

The sole authority to resolve any appeal made relating to this policy shall rest with the superintendent. The superintendent's decision shall be final and conclusive. In the event the district upholds an appeal, the sole responsibility of the district to the aggrieved bidder(s) shall be the re-opening of the bidding process.

Except when prohibited by law the District reserves the right to extend or renew a contract that was previously awarded under the process governed by this policy and law, provided the extension or renewal meets the following criteria:

1. The equipment and services provided under the extended or renewed contract meets or exceeds the specifications of the original bid.
2. The extended or renewed contract agreement complies with the state of Arkansas's documentation requirements.
3. The cost of the extended or renewed contract is the same or less than the original contract.
4. The extension or renewal is approved by the local school board.

Any commodities purchased by the district through the TAPS program satisfies the state bidding requirements; however, for purchases with Federal funds, districts are required to demonstrate that an effort was made to determine that the taps purchase price is the best price. The verification effort may be demonstrated through an email, fax, letter, or written documentation of a telephone call.

#### Professional Services

The District does not use a bidding process when procuring professional services. Instead, when the District needs to procure professional services, the District shall:

1. Select three (3) qualified firms;
2. Determine the most qualified firm by considering, at a minimum, the:
  - Specialized experience and technical competence of the firm with respect to the type of professional services required;
  - Capacity and capability of the firm to perform the work in question, including specialized services, within the time limitations fixed for the completion of the project;

- Past record of performance of the firm with respect to such factors as control of costs, quality of work, and ability to meet schedules and deadlines; and
  - Firm's proximity to and familiarity with the area in which the project is located;
1. Negotiate a contract for the project with the most qualified firm.

When negotiating a contract, the District and the selected firm shall jointly prepare a detailed, written description of the scope of the proposed services. If the District is unable to negotiate a satisfactory contract with the firm selected, negotiations with that firm shall be terminated and the District shall negotiate a contract with the next most qualified firm. In the event the District is unable to negotiate a contract with any of the original selected firms, the District shall reevaluate the necessary professional services, including the scope and reasonable fee requirements, and return to step one.

The District encourages firms who provide professional services to submit annual statements of qualifications and performance data to the District. The District shall request any additional information as needed for a particular public project.

#### Sole Source

A "sole source justification document" should be attached to the purchase order and maintained in the audit file for all commodities purchased as such. DESE stipulates the following seven (7) criteria that the justification must meet:

- 1) Why the service or product is needed;
- 2) The methods used to determine that a lack of responsible/responsive competition exists for the service or product;
- 3) How it was determined that the provider possesses exclusive capabilities;
- 4) Why the service or product is unique;
- 5) Whether or not there are patent or property rights which make the required service or product unavailable from other sources;
- 6) What the district would do if the provider/service product were no longer available;
- 7) Any program considerations which make the use of a "sole source" critical to the successful completion of the district's task.

#### Legal References:

A.C.A. § 6-21-301, 303, 304, 305, 306, 307  
 A.C.A. § 6-24-101 et seq.  
 A.C.A. § 19-11-801 et seq.  
 A.C.A. §15-4-1301 et seq.  
 A.C.A §18-44-503  
 A.C.A §19-11-231  
 A.C.A §19-11-259  
 2 C.F.R. § 200.67  
 2 C.F.R. § 200.319

2 C.F.R. § 200.320  
2 C.F.R. § 200.321  
2 C.F.R. § 200.324  
48 C.F.R. § 2.101

Adopted: 10/10/72  
Revised: 09/11/84  
Revised: 08/12/97  
Revised: 04/15/02  
Revised: 03/11/03  
Revised: 07/12/05  
Revised: 05/13/14  
Revised: 09/09/14  
Revised: 07/14/15  
Revised: 09/08/15  
Revised: 11/14/17  
Revised: 10/09/18  
Last Revised: 7/19/19



## 7.14 Use of District Cell Phones and Computers

Board members, staff, and students shall not be given cell phones or computers for any purpose other than their specific use associated with school business. School employees who use a school issued cell phones and/or computers for non-school purposes, except as permitted by District policy, shall be subject to discipline, up to and including termination. School employees may be issued District cell phones if their position requires the employee be available at all times for work related emergencies or the employee be available to speak with others on school related business when the employee is away from the office. Employees issued cell phones for such purposes may use the phone for personal use on an “as needed” basis.

Students who use school-issued cell phones and/or computers for non-school purposes, except as permitted by Policy 4.47— Possession and Use of Cell Phones and Other Electronic Devices, shall be subject to discipline, up to and including suspension or expulsion.

Except when authorized in the School Bus Driver’s Use of Mobile Communication Devices Policies of 3.51 and 8.24, all employees and students are forbidden from using school-issued cell phones while driving any vehicle at any time. Violation may result in disciplinary action up to and including:

- o Suspension for students; and
- o Termination for employees.

Except when authorized in the SCHOOL BUS DRIVER’S USE OF MOBILE COMMUNICATION DEVICES policies of 3.51 and 8.24, no employee or student shall use any device for the purposes of browsing the internet; composing or reading emails and text messages; or making or answering phone calls while driving a motor vehicle which is in motion and on school property. Violations may result in disciplinary action up to and including:

- o Suspension for students; and
- o Termination for employees.

### Cross References:

3.34 Certified Personnel Cell Phone Use  
4.47 Possession and Use of Cell Phones, Beepers, Etc.  
8.25 Classified Personnel Cell Phone Use

### Legal References:

IRC § 132(d)  
IRC § 274(d)  
IRC § 280F(d)(4)  
IRS Publication 15 B

### Date Adopted:

11/14/17

### Revised:

7/9/19

## 7.17 Food Service Prepayment

### Meal Charges

The district does not provide credit for staff or students to charge for meals, a la carte, or other food and beverage items available for purchase in the school food service areas. Meals, a la carte, or other food and beverage items may be purchased by either providing payment for the items at the time of receipt or by having a prepaid account with the District that may be charged for the items. Staff and parents, or students choosing to do so, may pay in advance for meals, a la carte, or other food and beverage items through any of the following methods:

- Submitting cash or check payment at the local school;
- Depositing funds through My Payments Plus.com

A student's parents will be contacted by authorized District personnel regarding a student's prepaid account balance at the following times:

Unpaid Meal Access In accordance with Arkansas law, the District allows students whose accounts do not have enough funds to purchase a meal to receive an unpaid reimbursable meal at no charge. The District will notify a student's parents:

- When the student's prepaid account balance has dropped to the point that the student will begin receiving unpaid meals;
- Each time the student receives the first unpaid meal after money has been deposited into the student's prepaid account; and
- After the student has received five (5) unpaid meals.

Students who have submitted proper documentation to receive a meal modification in accordance with Policy 4.50—School Meal Modifications shall receive the same type of modification for an unpaid meal.

#### Legal References:

Commissioner's Memo CNU-17-003  
Commissioner's Memo CNU-17-024  
A.C.A. § 6-18-715

#### Date Adopted:

06/01/13

#### Revised:

08/11/15

#### Revised:

11/14/17

#### Last Revised:

7/9/19

## 7.23 Health Care Coverage and the Affordable Care Act

### Definitions

“Dependent”, for purposes of this policy, means an employee’s child(ren) and/or spouse who are enrolled by the employee in health care coverage through the District’s health care plans.

“Full-time school bus driver” means a person employed by the District to drive regular routes during the annual school year:

1. Who contracts with the District to operate a school bus for at least seven hundred twenty (720) hours during the school year;
2. Whose primary source of income during the school year is obtained by operating a school bus for the District; or
3. Who contracts with the District to operate a school bus and is designated by the superintendent as a full-time school bus driver, regardless of the number of hours for which the person is contracted.

“Full-time employee”, for purposes of this policy, means an employee who is:

- a. In a position requiring on average thirty (30) hours of actual performance per week during the annual school year; or
- b. A full-time school bus driver.

“Responsible individual” means a primary insured employee who, as a parent or spouse, enrolls one or more individual(s) in health care coverage through the District’s health care plans.

“Variable hour employee”, for the purposes of this policy, means an individual, other than a full-time school bus driver, who has no base minimum number of hours of performance required per week.

### Health Insurance Enrollment

All full-time District employees are eligible to enroll themselves; their spouse, so long as the spouse is not otherwise eligible for insurance through his/her employer's sponsored plan; and their child(ren) in one of the insurance plans through the Public School Employee Life and Health Insurance Program (PSELHIP). Variable hour employees are not eligible to enroll in a PSELHIP plan. If a variable hour employee’s measurement period finds that the employee averaged thirty (30) or more hours per week, then the employee is treated as a full-time employee rather than a variable hour employee and is eligible for health insurance. Coverage for new employees who choose to enroll in a PSELHIP plan shall take effect on the first of the month following the date on the enrollment application. Employees who experience a Qualifying Status Change Event have sixty (60) days from the date of the Qualifying Status Change Event to file an application to change coverage information. All employees who continue to be eligible may elect to continue coverage and make changes to their PSELHIP plan for the following plan year during the yearly open enrollment period.

## District Contribution to Premiums

At a minimum, the District shall distribute the statutorily required contribution rate to all employees who are enrolled in one of the PSELHIP plans, which shall include any mandatory increases to the contribution rate due to increases to the salary schedule. In accordance with the State Health Insurance Portability Rules (SHIP), the District shall continue to pay the premium contribution for an employee who transfers to another Arkansas school district that also participates in the SHIP through August 31 of the calendar year the employee leaves the district so long as the employee:

- 1) Completes his/her contract with the District;
- 2) Provides the District with notice that the employee is transferring to another district;
- 3) Provides the District with proof of employment at another Arkansas district; and
- 4) Has the employee portion of the premium deducted from his/her end-of-year checks.

## Measurement Method of Employee Hours

Option 1: The District uses the look-back method for determining if an employee qualifies as a full-time employee.

## W-2

For all full-time employees who are enrolled in a PSELHIP plan, the District shall indicate in box twelve (12) of the employee's Form W-2 the cost of the employee's health care coverage by using code "DD".

## IRS Returns

The District will electronically file with the IRS by March 31 of each year the forms required by the IRS on the health insurance coverage of each full-time employee for the previous calendar year, whether or not the full-time employee participates in a health insurance plan through the PSELHIP.

## Statement of Return

The District shall send to each full-time employee a Statement of Return (Statement) regarding the IRS Return filed on the employee. The Statement shall contain: The District's name, address, and Employer Identification Number (EIN), as well as a copy of the IRS Return, filed on the employee. The District shall send a copy of the Statement to the employee on or before January 31 of the calendar year following the calendar year the information in the Statement covers. The District shall send only one Statement to the household of an employee who meets the definition of a responsible individual that will include all requisite information for both the responsible individual and the responsible individual's dependent(s). The Statement will be mailed to the employee's address on record.

## Record Retention

The District shall maintain copies of the Statements sent to employees in accordance with the requirements for documents transmitted to the IRS in Policy 7.15 Record Retention and Destruction.

Cross Reference: 7.15 Record Retention and Destruction  
Legal References: A.C.A. § 6-17-1117  
A.C.A. § 21-5-401 et seq.  
26 C.F.R. § 54.4980h-0 et seq.  
26 C.F.R. § 31.6001-1  
26 C.F.R. § 301.6056-1

Date Adopted: 11/14/17

Revised: 7/9/19