

## **Business and Noninstructional Operations**

### **CONCEPTS AND ROLES**

**BP 3000 (a)**

The Iditarod School Board recognizes that money and money management comprise the foundational support of the entire school program. To make that support as effective as possible, the Iditarod School Board intends to:

1. encourage advance planning through the best possible budget procedures
2. explore practical sources of dollar income
3. guide the expenditure of funds so as to derive the greatest possible educational returns.
4. expect sound fiscal management from the administration
5. advocate a level of per student funding sufficient to provide quality education

The Iditarod School Board desires to support the educational program with high standards of safety in the operation and maintenance of school facilities, equipment and services.

### **Role of The Iditarod School Board**

The Iditarod School Board:

1. solicits public input on educational needs and utilizes that information in making budget decisions.
2. approves and adopts the annual budget and approves budget transfers.
3. is accountable for all district funds.
4. adopts written policies governing the purchase of supplies and equipment.
5. monitors all expenditures by receiving statements and approving payments.
6. reviews the annual audit of district accounts and business procedures.
7. adopts an insurance program which complies with law and reflects prudent financial management.
8. provides for long-range plans to acquire or dispose of sites and to add, maintain and staff new facilities.

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014: December 2014**

## **Business and Noninstructional Operations**

### **CONCEPTS AND ROLES (continued)**

**BP 3000 (b)**

9. advocates and secures community support for additional financing when necessary.

### **Role of Superintendent or Designee**

The Superintendent or designee:

1. prepares the detailed annual budget and presents it to the Iditarod School Board for adoption.
2. administers the budget and keeps expenditures within approved limits.
3. enforces requisition and purchase order policies and regulations.
4. establishes control/inventory systems to account for district funds, supplies and equipment in accordance with law and Iditarod School Board policy.
5. makes all financial reports required by law or Iditarod School Board policy and prepares reports for public release.
6. analyzes the district's financial condition and presents the Iditarod School Board with proposals for meeting financial needs.
7. provides for the annual audit of district accounts and business procedures.
8. helps the Iditarod School Board to establish an adequate insurance program.
9. maintains the district's noninstructional operations.

### **Working Relationships of the Iditarod School Board and Superintendent or Designee**

The Superintendent or designee shall recommend financial plans to the Iditarod School Board in accordance with the district's goals and objectives, whenever district programs may be endangered by a lack of funds or when the continuation of district programs may result in an over expenditure of district funds.

The Iditarod School Board desires complete information from the Superintendent or designee on all matters relating to the district's financial operations. The Iditarod School Board shall closely scrutinize all district financial operations so that it may fully discharge its legal responsibilities with regard to school finance.

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **CONCEPTS AND ROLES (continued)**

**BP 3000 (c)**

*(cf. 3460 - Financial Reports and Accountability)*

*Legal Reference:*

ALASKA STATUTES

*14.08.101 Powers (Regional School Boards)*

*14.08.111 Duties (Regional School Boards)*

*14.12.020 Support, Management and Control*

*14.14.060 Relationship between borough school district and borough*

*14.14.065 Relationship between city school district and city*

*14.14.090 Additional duties*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **BUDGET**

**BP 3100**

Note: Pursuant to A.S. 14.12.020, Regional Educational Attendance Areas are maintained by the state. A.S. 14.17.900 requires districts to operate under a balanced budget and provides that the state is not responsible for the debts of school districts.

The Iditarod School Board shall establish and maintain a balanced budget. The Iditarod School Board shall adopt an annual budget which is compatible with district goals and objectives.

*(cf. 0200 - Goals for the School District)*  
*(cf. 3460 - Financial Reports and Accountability)*

The district budget shall be prepared annually from the best possible estimates of revenues and expenditures. The Superintendent or designee shall determine the manner in which the budget shall be prepared and shall schedule the budget adoption process in accordance with legal time requirements. A public hearing shall be held via VTC prior to the adoption of the budget or a revised budget.

*Legal Reference:*

ALASKA STATUTES

- 14.07.030 Powers of state department*
- 14.07.170 Additional powers and duties of state board*
- 14.12.020 Support, management and control*
- 14.14.060 Relationship between borough school district and borough*
- 14.14.065 Relationship between city school district and city*
- 14.17.300 - 14.17.990 Financing of public schools*

ALASKA ADMINISTRATIVE CODE

- 4 AAC 09.006 - 4 AAC 09.050 State Aid*
- 4 AAC 09.110 - 4 AAC 09.990 School Operating Fund*

*Revised 1/03*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

# **Business and Noninstructional Operations**

## **BUDGET**

**AR 3100**

### **Public Hearing and Availability of Proposed Budget**

The proposed budget, showing expenditures, cash balances and all revenues, shall be made available for public inspection before the public hearing date.

The Iditarod School Board shall hold a public hearing on the proposed budget for the purpose of permitting any district resident to appear and speak to the budget or any item on the budget.

### **Adoption of the Budget**

The adoption of the budget shall not take place until the public hearing is concluded. The district budget shall conform to state regulations regarding form and content.

Note: The following paragraph reflects the requirements of 4 AAC 09.110 and 4 AAC 09.120 regarding state approval of the district budget.
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By July 15, the adopted budget shall be submitted to the state Department of Education and Early Development for approval. The state commissioner may reject the district budget if it is not in the form required by the state, is not balanced, or does not meet the requirements for minimum expenditure for instruction. If rejected by the state, a revised budget shall be submitted within twenty days of the date the notice of rejection is mailed. If the budget contains a prior year fund balance as revenue, the budget shall be revised and resubmitted if the annual audit shows the fund balance to be less than projected. (4 AAC 09.110/09.120)

*Revised 1/03*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **TRANSFER OF FUNDS**

**BP 3110**

The Iditarod School Board recognizes that the transfer of funds between budget categories may be necessary in order to ensure that the district maintains a balanced budget. All transfers shall be reported to the Iditarod School Board and are subject to Iditarod School Board approval.

*Legal Reference:*

ALASKA STATUTES

*14.08.101 Powers (Regional school boards)*

*14.14.060 Relationship between borough school district and borough*

*14.14.065 Relationship between city school district and city*

*Revised 1/09*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **INCOME**

**BP 3200**

Effective district planning depends upon accurate projection and calculation of anticipated district income. The Superintendent or designee shall ensure that all income sources are identified and received as early as possible each year.

Note: A.S. 14.07.070 provides that state funds may not be paid to a district or teacher who fails to comply with state school laws and regulations.
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*Legal Reference:*

ALASKA STATUTES

*14.07.070 Withholding state funds*

*14.17.080 Student count estimates*

*14.17.082 Fund balance in school operating fund*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **MATERIALS FEES**

**BP 3260**

The Iditarod School Board will make every effort to provide the instructional equipment, books and materials needed to maintain the desired instructional program so that teachers, students, and parents/guardians do not feel compelled to provide such items and school fund raising activities are minimized. The sale of any school supplies or materials must be authorized by the Superintendent or designee or the Iditarod School Board.

*(cf. 1321 - Soliciting Funds from and by Students)*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**



## **Business and Noninstructional Operations**

### **SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES (School Property)**

**BP 3270**

The Iditarod School Board recognizes that the district may own personal property which is unusable, obsolete, or no longer needed by the district and that the disposal of such property may be in the best interests of the district.

The Superintendent or designee shall identify to the Iditarod School Board all inventoried school property not needed by the district, together with the estimated value and recommended disposition. With Iditarod School Board approval, the Superintendent or designee shall arrange for the sale or disposal of district personal property in accordance with state law.

*(cf. 3440- Inventories)*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **SALE OR LEASE OF SCHOOL FACILITIES OR REAL PROPERTY**

**BP 3280**

Note: The regional school board may obtain title to school lands and buildings from the state pursuant to A.S. 14.08.151.

The Iditarod School Board shall dispose of, or recommend to the state the disposal of, school facilities or real property whenever it is apparent the district will have no future use for it. If unused property will be needed at some future time, the Iditarod School Board may lease, or recommend to the state the lease of, such property. Any sale or lease of school facilities or real property will conform to the provisions of law.

*(cf. 1330 - Use of School Facilities)*

The Iditarod School Board encourages public participation in the determination of school facility needs.

*(cf. 1220 - Citizen Advisory Committees)*

*Legal Reference:*

ALASKA STATUTES

*14.07.030 Powers of state department*

*14.08.101 Powers (Regional school boards)*

*14.08.151 Land and buildings*

ALASKA ADMINISTRATIVE CODE

*4 AAC 32.085 Disposal of abandoned or obsolete property*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **GIFTS, GRANTS AND BEQUESTS**

**BP 3290**

The Iditarod School Board greatly appreciates the support of community members and may accept suitable donations on behalf of the district. To be acceptable, a gift must satisfy the following criteria:

1. not begin a program which the Iditarod School Board would be unwilling to continue when the donated funds are exhausted.
2. not entail undesirable or hidden costs, such as additional staff workload.
3. place no restrictions on the school program.
4. not be inappropriate or harmful to the best education of students.
5. not imply endorsement of any business or product.
6. not conflict with any provision of the Iditarod School Board policy or public law.
7. have a purpose consistent with those of the district.

The Iditarod School Board discourages any gifts which may directly or indirectly impair its commitment to providing equal educational opportunities for all district students. Use of a gift shall not be impaired by restrictions or conditions imposed by the donor. The Iditarod School Board will try to follow the donor's wishes insofar as they do not conflict with district philosophy or operations.

Upon acceptance by the Iditarod School Board, all gifts, grants and bequests shall become school district property. At the Superintendent or designee's discretion, a gift may be used at a particular school.

All gifts to individual schools shall be with the Advisory School Board.

*(cf. 3430 - Investing)*

*(cf. 3440 - Inventories)*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## Business and Noninstructional Operations

### EXPENDITURES/EXPENDING AUTHORITY

BP 3300

Note: A.S. 14.08.101 empowers regional school boards to establish their own fiscal procedures and exempts them from A.S. 36.30 (State Procurement Code) and A.S. 37.05 (Fiscal Procedures Act). A.S. 14.08.111 requires the regional school board to designate employees authorized to direct disbursements from school funds of the School Board.

The Superintendent or designee may purchase supplies, materials and equipment in accordance with law. Prior Iditarod School Board approval is required for purchases over \$5,000 per item. The Iditarod School Board shall approve or ratify all transactions.

*(cf. 3310 - Purchasing Procedures)*

*(cf. 3311 - Bids)*

*(cf. 3312 - Contracts)*

*(cf. 3460 - Financial Reports and Accountability)*

Note: A.S. 14.17.225 requires districts to operate under a balanced budget and provides that the state is not responsible for the debts of school districts.

No expenditures that exceed an account budget shall be approved unless specifically authorized by the Superintendent or designee.

*(cf. 3100 - Budget)*

*(cf. 3110 - Transfer of Funds)*

The Iditarod School Board shall not recognize obligations incurred contrary to Iditarod School Board policy and administrative regulations.

*Legal Reference:*

ALASKA STATUTES

*14.08.101 Powers (Regional school boards)*

*14.08.111 Duties (Regional school boards)*

*14.14.060 Relationship between borough school district and borough*

*14.14.065 Relationship between city school district and city*

*14.17.190 Restrictions governing receipt and expenditure of money from public school foundation account*

*36.30. State Procurement Code*

*37.05 Fiscal Procedures Act*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **ELECTRONIC FUND TRANSACTIONS**

**BP 3305**

Note: The following is for use by districts utilizing an automated clearing house or "ACH." ACH is a national and governmental organization that has authority to process electronic payments, including, but not limited to, the national automated clearing house association and the federal reserve system. Some federally mandated transactions require that public funds be disbursed through electronic payment, debit, or credit transfer using an ACH.

The Iditarod Area School District, through resolution of the Iditarod School Board, shall be a party to an Automated Clearing House (ACH) arrangement. The Superintendent or designee shall be responsible for the district's ACH agreements, including payment approval, accounting, reporting, and generally for overseeing compliance with the ACH policy. All ACH invoices are to be approved prior to payment.

#### **Internal Accounting**

The Superintendent or designee shall be responsible for development and maintenance of appropriate accounting controls to monitor the use of ACH transactions.

*(cf. BP 3110 – Transfer of Funds)*

*(cf. BP 3300 – Expenditures/Expending Authority)*

*Added 1/09*

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## **Business and Noninstructional Operations**

### **ELECTRONIC FUND TRANSACTIONS**

**AR 3305**

#### **Internal Accounting**

ACH accounting methods shall follow the established and approved Iditarod Area School District accounting procedures and internal controls.

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

**Business and Noninstructional Operations**

**ELECTRONIC FUND TRANSACTIONS**

**E 3305**

For the authorization of Electronic Transactions, the Iditarod School Board hereby recognizes that:

**Iditarod Area School Board**

**RESOLUTION \_\_ -\_\_**

**AUTHORIZATION TO UTILIZE ELECTRONIC TRANSACTIONS**

**Whereas**, the Iditarod School Board hereby recognizes that electronic payment of public funds are required for some federally mandated transactions involving public funds by electronic payment, debit or credit transfer processed through an automated clearinghouse,

**Whereas**, the Iditarod School Board deems that it is in the best interest of the district to make certain district financial transactions by electronic payments,

**NOW THEREFORE BE IT RESOLVED** that the Iditarod School Board authorizes the district to utilize electronic transactions in compliance with the written procedures and internal controls developed by the Superintendent or designee.

**CERTIFICATION**

I hereby certify that this resolution was adopted at a duly called Iditarod Area School District Regional School Board meeting held on \_\_\_\_\_, and that a quorum was established.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Iditarod School Board Secretary/Treasurer

*Added 1/09*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## Business and Noninstructional Operations

### PURCHASING PROCEDURES

BP 3310

Note: A.S. 14.08.101 empowers regional school boards to establish their own fiscal procedures, including the purchase of supplies and equipment.

The Iditarod School Board desires to ensure that maximum value is received for money spent by the district and that records are kept in accordance with law. The Superintendent or designee may issue and sign purchase orders.

(cf. 3300 - Expenditures/Expending Authority)  
(cf. 3400 - Management of District Assets)  
(cf. 3460 - Financial Reports and Accountability)  
(cf. 9270 - Conflict of Interest)

Note: A.S. 36.15.050 establishes a preference for purchasing Alaskan agricultural and fisheries products. A.S. 14.03.085 makes school districts, except REAA's, subject to A.S. 29.71.050, which establishes a preference for purchasing recycled Alaska products.

The Iditarod School Board encourages the selection of Alaskan products when such products meet the needs of the district and shall adhere to state law regarding purchasing preferences for Alaskan products.

(cf. 3311 - Bids)  
(cf. 3312 - Contracts)

Note: A U.S. Supreme Court decision (City of Richmond v. J. A. Croson Co.) indicates that before enacting an affirmative action purchasing program, the district would have to have strong evidence of past district discrimination against minority contractors and the district's program would have to be narrowly tailored to accomplish its remedial purpose.

#### *Legal Reference:*

##### ALASKA STATUTES

14.08.101 Powers (Regional school boards)

14.14.060 Relationship between borough school district and borough

14.14.065 Relationship between city school district and city

14.17.190 Restrictions governing receipt and expenditure of money from public school foundation account

29.71.050 Procurement preferences for recycled Alaska products

36.30. State Procurement Code

37.05 Fiscal Procedures Act

City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989)

Revised 9/97

**IDITAROD AREA SCHOOL DISTRICT  
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## **Business and Noninstructional Operations**

### **PURCHASING PROCEDURES**

**AR 3310**

#### **Purchasing Requisitions/Purchase Orders**

1. Insofar as possible, goods and services purchased will meet the needs of the person or department ordering them at the lowest price consistent with standard purchasing practice. Maintenance costs, replacement costs, and trade-in values shall be considered when determining the most economical purchase price.
2. Requisitions for budgeted items shall originate from personnel directly responsible for their use. All requisitions shall be given proper review for approval or disapproval by the appropriate administrative personnel.
3. Every transaction between a buyer and seller involving the transfer of property, equipment, or supplies shall be made by purchase order, formal contract or receipt.
4. Purchase orders and other purchase obligations shall be signed by the Superintendent or designee.
5. The business office or other appropriate administrative entity shall verify the availability of funds and prepare purchase order to commit the expenditures.

#### **Quantity Purchasing**

Quantity buying shall be effected whenever practicable and feasible in order to achieve an economy of scale in accordance with the total needs of the school district.

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

## **Business and Noninstructional Operations**

### **BIDS**

**BP 3311**

The district shall purchase equipment, supplies and services or make capital expenditures on a competitive bidding basis when required by law.

All capital expenditures of five thousand dollars (\$5,000.00) or more will be subject to competitive bidding except for sole source and emergency items. Whenever practical, other large expenditures will also be bid. Bids will normally be awarded by the Iditarod School Board.

To ensure that good value is received for funds expended, specifications shall be carefully designed and shall describe in detail the quality, delivery and service required.

Capital expenditures are defined as most acquisitions of fixed assets or additions to fixed assets which are presumed to have a useful life of more than one year; improvement of grounds; construction of buildings; additions to buildings; remodeling of buildings; initial and additional acquisition of equipment and furniture and replacement of equipment and furniture.

All purchases not subject to competitive bidding may be made in the open market, but shall, when possible, be based on at least three competitive quotations or prices.

*(cf. 9270 - Conflict of Interest)*

*(cf. 4030 - Nondiscrimination in Employment)*

#### *Legal Reference:*

##### ALASKA STATUTES

*14.14.060 Relationship between borough school district and borough*

*14.14.060 (h) Procurement of supplies and equipment*

*14.14.065 Relationship between city school district and city*

*14.03.085 Procurement preference for recycled Alaska products*

*29.71.050 Procurement preferences for recycled Alaska products*

*35.15 Construction Procedures*

*36.15.020 Use of local agricultural and fisheries products required in purchases with state money*

##### ALASKA ADMINISTRATIVE CODE

*4 AAC 27.085 Competitive pupil transportation proposals*

*4 AAC 31.080 Construction and acquisition of public school facilities*

*FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT v. BOWERS, 851 P.2d 56 (AK 1992)*

*Revised: 9/93*

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## **Business and Noninstructional Operations**

### **BIDS**

**AR 3311**

Note: In Fairbanks North Star Borough School District v. Bowers (1992), the Court held that AS 14.14.060 (h) gives school districts broad discretion in procurement decisions, and when a school district solicits bids for goods or services, there is an implied contractual duty to fairly and honestly consider bids.

Under no condition shall bids be accepted after the advertised bid opening time, regardless of whether the bids are actually opened at that time.

When two or more identical bids are received, the Iditarod School Board may determine by lot which bid shall be accepted.

After being opened, all advertised bids shall be made available for review by all interested parties.

*(cf. 1340 - Access to District Records)*

*Revised 9/93*

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# Business and Noninstructional Operations

## CONTRACTS

BP 3312

The Superintendent or designee may enter into contracts on behalf of the district. All contracts over \$5,000 must be approved or ratified by the Iditarod School Board.

*(cf. 3300 - Expenditures/Expending Authority)*

Contracts between the district and outside agencies shall conform to standards required by law and shall be prepared under the direction of the Superintendent or designee. Contracts, where appropriate, shall be submitted to the legal advisor of the district for review and approval.

The district shall not enter into any contract with a person, agency, or organization if it has knowledge that such person, agency or organization discriminates on the basis of race, color, creed, sex, religion, ancestry, national origin, age or non job-related handicap or disability, either in employment practices or in the provision of benefits or services to students or employees.

*(cf. 0410 - Nondiscrimination in District Programs and Activities)*

### *Legal Reference:*

ALASKA STATUTES  
*14.08.101 Powers*

ALASKA ADMINISTRATIVE CODE  
*4 AAC 27.085 Competitive pupil transportation proposals*  
*4 AAC 27.100 Contractor's duties*  
*4 AAC 31.065 Selection of designers and construction managers*  
*4 AAC 31.080 Construction and acquisition of public school facilities*

*Revised 9/97*

**IDITAROD AREA SCHOOL DISTRICT  
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## **Business and Noninstructional Operations**

### **PAYMENT FOR GOODS AND SERVICES**

**BP 3314**

The Superintendent or designee may authorize payment only for those goods and services that have been previously approved by contract, purchase order or receipt.

The Superintendent or designee may make advance payment if a decrease in cost is possible or if the material is unavailable to the district without advance payment.

## **Business and Noninstructional Operations**

### **RELATIONS WITH VENDORS**

**BP 3315 (a)**

Note: A.S. 11.56.100-11.56.130 defines the felony offense of receiving a bribe and the misdemeanor offense of receiving unlawful gratuities. Receiving a bribe includes soliciting or receiving a benefit with the intention or understanding that a public servant's decisions or actions will be influenced. Receiving unlawful gratuities includes soliciting a benefit of any value or accepting any benefit having a value of \$50 or more for performing an official act not entitled to any special or additional compensation.

No district employee or Board member shall accept personal gifts, commissions or expense-paid trips from individuals or companies selling equipment, materials or services required in the operation of district programs. Gifts include any gift purchased specifically for an employee which is not generally offered to other buyers.

This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, notebooks and other office gadgets which are offered by business concerns free to all as part of their public relations programs.

District employees who work for or serve as consultants for potential vendors shall not participate in evaluating any equipment, materials or services of that vendor or its competitors.

*(cf. 6161.1 - Selection and Evaluation of Instructional Materials)*  
*(cf. 9270 - Conflict of Interest)*

This policy does not prohibit the Board from accepting materials and/or services which are of use and benefit to the district.

### **Universal Service Program/E-Rate Vendors**

Note: Effective 2011, the FCC amended its E-rate program rules and adopted gift restrictions for schools and districts participating in E-rate. The receipt of gifts by applicants from service providers and potential providers is a competitive bidding violation. The gift prohibitions are always applicable, not just during the bidding process. Relevant school district personnel may not solicit or receive any gift or other thing of value from a service provider participating in or seeking to participate in the E-rate program. There are limited exceptions, including when the value of the item is worth \$20 or less, so long as items do not exceed \$50 per year per employee from any one service provider.

The District takes advantage of federal technology funding through the universal service program known as E-rate. E-rate participants may not, at any time, solicit or accept gifts or other things of value from an existing or potential E-rate service provider. Nominal gifts and refreshments may be allowed as authorized by the Superintendent or designee.

E-rate gift prohibitions apply to the Iditarod School Board and to employees, consultants or contractors involved in the District's E-rate Program who: prepare, approve, sign, or submit E-

**IDITAROD AREA SCHOOL DISTRICT**  
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## **Business and Noninstructional Operations**

### **RELATIONS WITH VENDORS**

**BP 3315 (b)**

rate applications, technology plans or other E-rate forms; prepare bids, communicate, or work with E-rate service providers, E-rate consultants, or the Universal Service Administrative Company; and those responsible for monitoring compliance with the E-rate program.

### **CONFLICT OF INTEREST**

No board member may vote on any matter in which he/she, or their immediate family member, has an interest, unless that interest is disclosed to the board and remaining members have approved the member's participation in the voting.

No board member, officer, or employee of the District or their immediate families shall accept gratuities, financial or otherwise, from any supplier of materials or supplies or be an independent contractor for the District without Board approval.

Charitable donations by service providers in support of the schools are permitted. These contributions may not be directly or indirectly related to E-rate procurement activities or decisions.

The Superintendent or designee shall develop guidelines to implement this policy in compliance with E-rate program rules.

*(cf. 3290 - Gifts, Grants and Bequests)*

*Legal Reference:*

CODE OF FEDERAL REGULATIONS

*47 C.F.R. Part 54, subpart f, Universal Service Support for Schools and Libraries*

ALASKA STATUTES

*11.56.100-56.130 Bribery and related offenses*

*Revised 2/11*

**IDITAROD AREA SCHOOL DISTRICT  
DATE OF ADOPTION: DECEMBER 2014**

# Business and Noninstructional Operations

## MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS

BP 3400

Note: 4 AAC 06.120 lists state adopted basic guides for public school accounting systems and the annual audit and requires that districts implement procedures consistent with these guides.

### Accounting Systems

The Superintendent or designee shall provide ongoing internal accounting controls and a means for the accounting of income and expenditures as outlined in the adopted budget.

(cf. 3440 - Inventories)

### Audits

Note: A.S. 14.14.050 requires an audit by October 1 of each year. The School Board is not required to provide for an audit if an audit is conducted pursuant to A.S. 29.35.110.

The Iditarod School Board shall provide for an annual audit of district accounts by a public accountant who has no personal interest in district fiscal affairs. The audit shall be conducted in accordance with the requirements of state regulations.

Note: Pursuant to A.S. 14.17.505, if the state department's review of the district's audit finds that the district's unreserved portion of its school operating fund year-end balance exceeds 10% of its expenditures for that year, the amount greater than 10% is deducted from state foundation aid for the current year.

The Iditarod School Board authorizes the superintendent or business manager to transfer general fund monies to the in-district capital projects fund as needed.

#### Legal Reference:

##### ALASKA STATUTES

14.08.111 Duties (Regional school boards)

14.14.050 Annual Audit

14.14.060 Relationship between borough school district and borough

14.14.065 Relationship between city school district and city

14.17.505 Fund balance in school operating fund

##### ALASKA ADMINISTRATIVE CODE

4 AAC 06.120 Accounting and audit manuals, charts of accounts, code descriptions

4 AAC 06.121 Annual financial reporting requirements

4 AAC 09.130 School district audit

4 AAC 09.160 Fund balance

Revised 1/09

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DATE OF ADOPTION: DECEMBER 2014**



## **Business and Noninstructional Operations**

### **Depository**

**BP 3410**

The Superintendent shall investigate the services available to the district from various banking institutions and select one or more to serve as depositories for the district's funds based upon the quantity, quality and cost of the services to be provided.

The Board shall act upon a resolution of depository to opening the account.

### **Authorized Signatures**

The Board Chairperson's or First-chairperson's signature shall appear on all District checks under \$5000.00. Checks over \$5000.00 shall also bear the non-mechanical signature of the superintendent or business manager.

## **Business and Noninstructional Operations**

### **Investments**

**BP 3430**

### **IDITAROD AREA SCHOOL DISTRICT**

#### **Investment Policy and Procedure**

The District shall provide for maximum profit from investments at the least possible risk to principal.

The Superintendent and Business Manager shall be responsible for treasury management, including investment and reinvestment of available cash balances of the District. The Superintendent and Business Manager shall have the authority to establish new accounts for investment purposes in the name of the District.

A Finance Committee shall be appointed by the IASD Board to advise and work with the Superintendent and Business Manager on planning of investment strategy and implementation thereof. Consensus of the Committee, Superintendent, and Business Manager will be required before investments are made.

Funds may be invested in any of the following:

- (1) Obligations of, or obligations insured or guaranteed by, the United States or agencies or instrumentalities of the United States or obligations of corporations in which the United States is a shareholder or member;
- (2) Obligations secured by reserves paid in by the United States or agencies or instrumentalities of the United States or obligations of corporations in which the United States is a shareholder or member;
- (3) Certificates of deposit issued by United States domestic banks which are members of the Federal Deposit Insurance Corporation for which a generally recognized secondary market exists or which are secured fully at all times as to the payment of principal and interest as set forth in (a) below;
- (4) Corporate debt securities with a minimum rating of "AAA" or the equivalent by a nationally recognized rating organization;
- (5) Bankers acceptances drawn on and accepted by banks with a combined capital and surplus aggregating at least \$200,000,000;
- (6) Shares of federally chartered savings and loan associations in Alaska which are fully secured at all times as to the payment of principal and interest as set forth in (a) below;

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## **Business and Noninstructional Operations**

### **Inventories (continued)**

**BP 3430 (b)**

- (7) Savings certificates issued by state-chartered savings and loan associations in Alaska which are fully secured at all times as to the payment of principal and interest as set forth in (a) below;
- (8) Deposits with mutual savings banks in Alaska which are fully secured at all times as to the payment of principal and interest as set forth in (a) below;
- (9) Fixed-term certificates of indebtedness of federally insured credit unions in Alaska which are fully secured at all times as to the payment of principal and interest as set forth in (a) below;
- (10) Repurchase Agreements, the securities underlying the agreements being any of the items in (1) – (3) of this subsection.
  - (a) For those investments requiring collateral pursuant to the subsections above, the investments shall be collateralized 100% by any of the following:
    - (1) Obligations of the United States or instrumentalities or agencies of the United States;
    - (2) Corporate debt securities with a minimum rating of “AAA”, or the equivalent, by a nationally recognized rating organization;
    - (3) Municipal or state debt securities with a minimum rating of “AAA”, or the equivalent, by a nationally recognized rating organization.

From time to time, the District may have funds available for investments whose source is non-operational in nature, is not a local, state or Federal Grant, or public funds. These funds may be invested as designated in Section(s) 1 through 10 above and can be invested in these additional investment alternatives:

- (11) Equity investments such as common stock, mutual funds, etc.
- (12) Money Market Funds

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## **Business and Noninstructional Operations**

### **Inventories (continued)**

**BP 3430 (c)**

Such additional investment alternatives must have readily ascertainable market value and be easily marketable. Equity investments may be chosen from the New York Stock Exchange (NYSE), American Stock Exchange (ASE), NASDAQ, regional exchanges, the National Over the Counter Market, and mutual funds. The following are prohibited transactions for these investments:

- (a) Commodity trading, including futures contracts

Investments made under Section 11 and 12 shall be diversified within designated guidelines to reduce risk. Designation of those guidelines shall be done by the Superintendent, the Business Manager, and the Finance Committee, subject to the periodic review of the Board.

District funds may also be invested in for profit business enterprises, either as part of educational programs, or as stand alone for profit enterprises. A budget and business plan using standard business practices shall be prepared and approved by the Superintendent, Business Manager, and Finance Committee before funds are invested. Investments of more than \$5000 (five thousand dollars) under this section shall require approval of the IASD Board.

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## **Business and Noninstructional Operations**

### **INVENTORIES**

**BP 3440**

The Superintendent or designee shall provide for the proper control and conservation of district property. He/she shall maintain an inventory for all items currently valued in excess of \$500 or a lesser amount if required by state or federal grant requirements or regulations.

*(cf. 3270 - Sale and Disposal of Books, Equipment and Supplies)*  
*(cf. 3290 - Gifts, Grants and Bequests)*  
*(cf. 3400 - Management of District Assets/Accounts)*

*Legal Reference:*

ALASKA STATUTES

*14.11.011 Grant applications*  
*14.11.017 School construction grant conditions*  
*14.14.050 Annual audit*

ALASKA ADMINISTRATIVE CODE

*4 AAC 06.120 Accounting and audit manuals, charts of accounts, code descriptions*  
*4 AAC 51.300 Vocational facilities and equipment*

CARL D. PERKINS VOCATIONAL EDUCATION ACT, Public Law 98-524, 99-159

34 CODE OF FEDERAL REGULATIONS, 74.132-74.140

Office of Management and Budget, Circular A-102, Attachment N, Property Management Standards

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## **Business and Noninstructional Operations**

### **INVENTORIES**

**AR 3440**

A physical inventory shall be conducted annually. Copies of the inventory shall be kept at the district office.

Each principal/principal-teacher or designee shall maintain an inventory of all equipment. The following information must be recorded:

1. description (with manufacturer's name and/or model number).
2. identification and/or serial number.
3. date and cost of acquisition (estimate if unknown).
4. funding source (grant source and grant title).
5. purpose for which the purchase was made.
6. current use, condition and location.
7. date on which inventory information was verified.

All equipment purchased with federal funds or nonfederal matching funds shall be labeled with the district's name and an equipment or inventory control number.

The date and mode of disposal of all equipment removed from the inventory shall also be recorded.

## Business and Noninstructional Operations

### FIXED ASSETS CAPITALIZATION

BP 3440.1

Note: The following policy is based on the GFOA recommended practice, "Establishing Appropriate Capitalization Thresholds for Fixed Assets" (1997) and GASB Statement No. 34.

The Iditarod School Board recognizes the need to establish appropriate capitalization thresholds for its fixed assets to properly account for both the financial and economic resources of the district. The Superintendent or designee shall periodically review the capitalization threshold with the district's auditors to ensure compliance with federal and state mandates and recommendations. The capitalization threshold should be set at a level that will capture approximately 80% of all fixed assets.

The Iditarod School Board sets the capitalization amount at \$5,000 for purposes of capitalization of fixed assets. An asset is to have a purchase cost of \$5,000 or more and a useful life of at least two years following the date of acquisition to be treated as a capitalized asset.

Assets that fall below the capitalization threshold may still be significant for insurance, warranty service and obsolescence/replacement tracking purposes. Assets more than \$ 500 but less than \$5,000 will be kept on a fixed asset inventory but will not be considered capitalized assets.

*(cf. 3400 – Management of District/Assets/Accounts)*  
*(cf. 3440 - Inventories)*

*Legal Reference:*

ALASKA STATUTES

14.11.011 Grant Applications

14.11.017 School Construction Grant Conditions

14.14.050 Annual Audit

ALASKA ADMINISTRATIVE CODE

4 AAC 06.120 Accounting and audit manuals, charts of accounts, code descriptions

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*Added 2/06*

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