

Oldham-Ramona School District #39-5

Policies and Regulations Code: D – Fiscal Management

DFAA INVESTMENT OF SCHOOL DISTRICT FUNDS

The Oldham-Ramona School District's Business Manager is responsible for investing district funds. The maximum amount of funds possible is to be maintained in interest bearing accounts, including interest checking, passbook savings accounts, certificates of deposit, and other appropriate forms of investment.

General depository funds are to be placed in the financial institutions of Oldham and/or Ramona. Assignment of these funds is to be made at the Board of Education's annual reorganization meeting in July. Placement of funds is contingent upon the availability of adequate financial services, as determined by the school district, and upon guaranteed security for the entire amount of the funds for the full period of their placement.

Funds available for investment will be invested in banking institutions or public funds, investment trust, guaranteed by the US Government on the basis of best interest return, access to funds, compatibility of investment periods, security, and other factors as determined by the school district. Investment of funds is contingent upon guaranteed security for the entire amount of the investment for the period of the investment. Telephone quotes for the investment of funds may be solicited by the Business Manager prior to each investment.

Accounts may be established and maintained for the following types: General Funds, Special Revenue Funds, Dept Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds and Trust and Agency Funds.

LEGAL REFS.: SDCL: 4-5-5; 4-5-8; 4-5-9; 4-5-11
 SDCL: 13-16-15; 13-16-15.1; 13-16-18

ADOPTED: 08-1983
AMENDED:
REVIEWED: 11-2013

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DID INVENTORIES

The Oldham-Ramona School District shall annually cause an inventory of personal property to be made and placed on file with the business manager by July 10. For insurance and accountability purposes, personal property with an original value greater than \$1,000 shall be included in the inventory and tracked as controllable assets in the inventory records.

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 expenditures 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 REFS.: SDCL: 5-24-1; 5-24-3
 SDCL: 13-16-6
 ARSD 10:02:01:01

ADOPTED: 09-1987
AMENDED: 01-1997
REVIEWED: 11-2013
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DJBA INCIDENTAL ACCOUNTS

In accordance with law, the Board hereby establishes a incidental account in the amount of \$3,500 by setting aside, on an imprest basis, money from the general fund. The incidental account shall be kept and used by the business manager for advanced payment or for claims requiring immediate payment, not to exceed an amount established by the Board. A detailed account of the expenditures from the incidental account shall be presented to the Board each month with verified vouchers, itemized and supported by receipted bills or other information as general evidence of payment, which shall be subject to audit. Expenditures against this account will be charged to the applicable fund. All expenditures from this account shall be listed with other bills in the regular school board proceedings.

LEGAL REFS.: SDCL: 13-18-17

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DJB 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 \$100 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.

Disbursements from the account will not require Board approval or the signature of the Board president or the business manager. The business manager is designated to be accountable for the petty cash account and shall keep accurate records of all receipts, expenditures, and balances of the account.

LEGAL REFS.: SDCL: 13-18-16

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DJC 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. However, state bid laws do not apply to the following and the following type contracts are exempt from bidding:

1. any contract for services provided by individuals or firms for consultants, audit, legal service, ambulance services, architectural services and engineering, insurance, real estate services, or auction services.
2. purchases of less than \$25,000.
3. any purchase of equipment involving the expenditure of less than fifty thousand dollars.
4. purchases from the lowest bidder of an item contained on the state price list. The school district may also purchase items from any vendor, if less than or equal to the state price list, but must be the exact same item.
5. purchases of surplus property from another South Dakota political subdivision or the State of South Dakota.
6. equipment repair contracts.
7. communications technologies, computer hardware and software, peripheral equipment, and related connectivity.
8. published books, maps, periodicals and technical pamphlets; laboratory apparatus and appliances.
9. any purchase of supplies or services, other than professional services, from any active contract that has been awarded by any governmental entity by competitive sealed bids or competitive sealed proposals or from any contract that was competitively solicited and awarded within the previous twelve months. The purchase utilizing another entity's bid must mirror the purchase from a contract that was 'awarded' by the original bidding entity. Contracts may be utilized from any governmental entity, including those that are out-of-state, provided the contract was awarded by competitive sealed bids or competitive sealed proposals. A bid accepted by another governmental entity may not be utilized if the original bid specifications included a trade-in allowance.
10. amendment of change order to an existing contract for construction, reconstruction or remodeling, provided that (1) the contract contains unit prices for the same type or class of work; (2) the change or extra work is necessitated by circumstances related to soils, utilities, or unknown conditions directly affecting the performance of the work that were not reasonably foreseeable at the time the underlying contract was let and the change or extra work is necessary to the completion of the public improvement; or (3) the sum of the proposed amendment or change order plus the sum of all other prior unbid amendments or change orders, exclusive of change orders issued under subdivisions (1) and (2) of this section, does not exceed the following: (a) for contracts not more than five hundred thousand dollars, the greater of twenty-five thousand dollars or fifteen percent of the base contract; (b) for contracts exceeding five hundred thousand dollars but not more than two million five hundred thousand dollars, the greater of seventy-five thousand dollars or ten percent of the base contract; and (c) for contracts exceeding two million five hundred thousand dollars, the greater of two hundred fifty thousand dollars or five percent of the base contract.
11. transportation of students.*
12. any purchase by a school of perishable food.**
13. purchases of material, supplies or equipment made at public sale or auction if the following conditions are met: (1) if purchases are made at substantial savings, (2) competitive quotations are obtained from a least

three suppliers of identical or similar material, supplies, (3) purchases are made at less than 80% of the average of the quotations received, and (4) a record of the names of the suppliers, quotations received and the procurement procedures used in purchasing shall be documented, indicated in the minutes and retained on file.

14. if, after advertising for bids, no firm bids are received, the school district may negotiate a contract for the purchase of the supplies, services, or public improvement projects at the most advantageous price, if the specifications of the original bid are met.
15. if the school board determines that the supplies or services are of such a unique nature that the contractor selected is clearly and justifiably the only practicable source to provide the supplies or services. The determination shall be recorded in the minutes. The determination that the contractor selected is justifiably the sole source shall be based on either the uniqueness of the supplies or services or the sole availability at the location required. In such cases, the school district shall conduct negotiations, including price, delivery, and quantity to obtain the most advantageous price and shall include the written verification of the sole source in the contract file. This provision does not apply to construction services or construction equipment
16. the school district may enter into agreements with governmental entities in this or any other state or the United States government, under which any of the parties may agree to participate in, administer, sponsor, or conduct purchasing transactions under a joint agreement or contract for the purchase of supplies or contractual services. The school district may cooperate with purchasing agencies and other interested parties in any other state or the United States government to develop uniform purchasing specifications on a regional or national level to facilitate cooperative interstate purchasing transactions.
17. any contract for the purchase of supplies from the United States or its agencies or any contract issued by the General Services Administration.
18. any contract for asbestos removal in emergency response actions.
19. purchases of real property having a particular use or benefit.
20. guaranteed energy savings contracts.
21. purchase of utility services such as electric power, lights, water or gas.
22. raw materials used in construction or manufacture of products for resale.

**No contract for the transportation of students may exceed five years.*

***Although state law exempts school districts from having a bid perishable foods, federal law (7CFR 306.36 (d)), which must also be complied with when utilizing funds that come from the National School Lunch Program's school food service account, does not contain such an exemption. Federal regulations establish a tiered process whereby purchases of \$150,000 or less require that quotations be obtained from an adequate number of qualified sources. (a.k.a. simplified acquisition threshold). Contracts of greater than \$150,000 would entail a process that is publicly advertised and bids shall be solicited from an adequate number of known suppliers. This may be accomplished by utilizing either competitive sealed bids or competitive sealed proposals. Evidence outlining the steps performed and bids/quotes received should be gathered and retained.*

LEGAL REFS.: SDCL: 1-33B-9
SDCL: 13-16-6.1
SDCL: 13-20
SDCL: 5-18A; 5-18B; 5-18C; 5-18D

ADOPTED: 01-2007
AMENDED: 10-2016
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DLC EXPENSE REIMBURSEMENTS

Personnel and district officials who incur expenses in carrying out their authorized duties will be reimbursed upon submission of a properly filled-out and approved voucher and such supporting receipts as required by the business manager.

Expenses for travel will be reimbursed when the travel has the advanced authorization of the Board and/or the superintendent based on the recommendation of the building principal. The superintendent may grant this authorization without prior Board action when the travel expense has been anticipated and incorporated into the operational budget of the particular program involved, and the Board will later ratify such approval.

When official travel by personally owned vehicle has been authorized, mileage will be paid at a rate authorized by the Board at its annual reorganizational meeting, and in accordance with the State Board of Finance.

Persons who travel at school expense will exercise the same economy as a prudent person traveling on personal business and will differentiate between expenditures for business and those of personal convenience.

LEGAL REFS.: SDCL: 3-9
 SDCL 4-7-10.4

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