

# NONINSTRUCTIONAL OPERATIONS AND BUSINESS SERVICES

## Series 700

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PURPOSE OF NONINSTRUCTIONAL AND BUSINESS SERVICES

This series of the board policy manual is devoted to the goals and objectives for the school district's noninstructional services and business operations that assist in the delivery of the education program. These noninstructional services include, but are not limited to, transportation, the school lunch program and child care. The board, as it deems necessary, will provide additional noninstructional services to support the education program. To the extent a group of employees has a recognized collective bargaining unit, the provisions of the master contract regarding such topics shall prevail.

It is the goal of the board to provide noninstructional services and to conduct its business operations in an efficient manner.

## DEPOSITORY OF FUNDS

Each year at its annual meeting, the board will designate by resolution the name and location of the Iowa located financial depository institution or institutions to serve as the official school district depository or depositories. The maximum deposit amount to be kept in the depository will be stated in the resolution. The amount stated in the resolution must be for all depositories and include all of the school district's funds.

It is the responsibility of the board secretary to include the resolution in the minutes of the meeting.

***Note: While this policy is not mandatory, the content of it is.***

Legal Reference: Iowa Code §§ 279.33

Cross Reference: 210.1 Annual Meeting  
206.4 Treasurer [*or 206.3, Secretary-Treasurer*]  
704.1 Local - State - Federal - Miscellaneous Revenue

## TRANSFER OF FUNDS

When the necessity for a fund has ceased to exist, the balance may be transferred to another fund or account by board resolution. School district monies received without a designated purpose may be transferred in this manner. School district monies received for a specific purpose or upon vote of the people may only be transferred, by board resolution when the purpose for which the monies were received has been completed. Voter approval is required to transfer monies to the general fund from the capital projects fund and debt service fund.

If all requirements for district use of funds calculated under the teacher leadership supplement are met and funds remain unexpended and unobligated at the end of the fiscal year, the district may transfer all or a portion of remaining funds into the district's flexibility account in accordance with law.

The district may choose to request approval from the School Budget Review Committee to transfer funds to make a program whole, prior to its elimination.

Temporary transfers (loans) of funds are permitted between funds but must be repaid to the originating fund, with interest, by Oct. 1 following the end of the fiscal year.

It is the responsibility of the board secretary to make recommendations to the board regarding transfers and to provide the documentation justifying the transfer.

Legal Reference: Iowa Code §§ 24.21-.22; 279.8; 279.42; 298A.

Cross Reference: 701.3 Financial Records  
703 Budget  
704.2 Sale of Bonds

## FINANCIAL RECORDS

Financial records of the school district are maintained in accordance with generally accepted accounting principles (GAAP) as required or modified by law. School district monies are received and expended from the appropriate fund and/or account. The funds and accounts of the school district will include, but not be limited to:

**Governmental fund type:**

- General fund
- Special revenue fund
  - Management Levy fund
  - Public Education and Recreation Levy fund (PERL)
  - Student activity fund
- Capital projects fund
  - Physical Plant and Equipment Levy fund (PEEL)
  - Secure and Advanced Vision for Education (SAVE)
- Debt service fund

**Proprietary fund type:**

- Enterprise fund
  - School nutrition fund
  - Child care fund
- Internal service fund

**Fiduciary funds:**

- Trust
  - --Expendable trust funds
  - --Nonexpendable trust funds
  - --Pension trust funds
- Custodial Funds

**Account groups:**

- General capital assets account group
- General long-term debt account group

The general fund is used primarily for the education program. Special revenue funds are used to account for monies restricted to a specific use by law. Capital projects funds are used to account for financial resources to acquire or construct major capital facilities (other than those of proprietary funds and trust funds) and to account for revenues from SAVE. A debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Proprietary funds account for operations of the school district operated similar to private business, or they account for the costs of providing goods and services provided by one department to other departments on a cost reimbursement basis. Fiduciary funds are used to account for monies or assets held by the school district on behalf of, or in trust for, another entity. The account groups are the accounting records for capital assets and long-term debt.

The board may establish other funds in accordance with generally accepted accounting principles and may certify other taxes to be levied for the funds as provided by state law. The status of each fund must be included in the annual report.

It is the responsibility of the superintendent to implement this policy and bring necessary changes in the maintenance of the school district's financial records to the attention of the board.

Legal Reference: Iowa Code §§291; 298; 298A.  
281 I.A.C. 98

Cross Reference: 704 Revenue  
705 Expenditures

Approved 6/21/21

Reviewed

Revised

## GOVERNMENTAL ACCOUNTING PRACTICES AND REGULATIONS

School district accounting practices will follow state and federal laws and regulations, generally accepted accounting principles (GAAP) and the uniform financial accounting system provided by the Iowa Department of Education. As advised by the school district's auditor, determination of liabilities and assets, prioritization of expenditures of governmental funds and provisions for accounting disclosures shall be made in accordance with governmental accounting standards.

In Governmental Accounting Standards Board (GASB) Statement No. 54, the board identifies the order of spending unrestricted resources applying the highest level of classification of fund balance - restricted, committed, assigned, and unassigned - while honoring constraints on the specific purposes for which amounts in those fund balances can be spent. A formal board action is required to establish, modify and or rescind a committed fund balance. The resolution will state the exact dollar amount. In the event, the board chooses to make changes or rescind the committed fund balance, formal board action is required.

The Board authorizes the board secretary to assign amounts to a specific purpose in compliance with GASB 54. An 'assigned fund balance' should also be reported in the order of spending unrestricted resources, but is not restricted or committed.

It is the responsibility of the superintendent to develop administrative regulations implementing this policy. It is also the responsibility of the superintendent to make recommendations to the board regarding fund balance designations.

Legal Reference: Iowa Code §§ 257.31(4); 279.8; 297.22-.25; 298A.

Cross Reference: 701.3 Financial Records  
703 Budget  
704 Revenue

Approved 6/21/21

Reviewed

Revised

CASH IN SCHOOL BUILDINGS

The amount of cash that may be kept in the school building for any one day is sufficient for that day's operations. Funds raised by students are kept in the Central Office safe.

A minimal amount of cash is kept in the central administration office at the close of the day. Excess cash is deposited in the authorized depository of the school district.

It is the responsibility of the superintendent to determine the amount of cash necessary for each day's operations and to comply with this policy.

Legal Reference: Iowa Code § 279.8

Cross Reference: 701.1 Depository of Funds  
704 Revenue

## BUDGET PLANNING

Prior to certification of the budget, the board will review the projected revenues and expenditures for the school district and make adjustments where necessary to carry out the education program within the revenues projected.

A budget for the school district is prepared annually for the board's review. The budget will include the following:

- the amount of revenues to be raised by taxation;
- the amount of revenues from sources other than taxation;
- an itemization of the amount to be spent in each fund; and,
- a comparison of the amount spent and revenue received in each fund for like purposes in the two prior fiscal years.

It is the responsibility of the board secretary to prepare the budget for review by the board prior to the April 15 deadline each year.

Prior to the adoption of the proposed budget by the board, the public is apprised of the proposed budget for the school district. Prior to the adoption of the proposed budget by the board, members of the school district community will have an opportunity to review and comment on the proposed budget. A public hearing for the proposed budget of the board is held each year in sufficient time to file the adopted budget no later than April 15.

The proposed budget filed by the board with the board secretary and the time and place for the public hearing on the proposed budget is published in a newspaper designated for official publication in the school district. It is the responsibility of the board secretary to publish the proposed budget and public hearing information at least 10 but no more than 20 days prior to the public hearing.

The board will adopt and certify a budget for the operation of the school district to the county auditor by April 15. It is the responsibility of the board secretary to file the adopted and certified budget with the county auditor and other proper authorities.

The board may amend the budget for the fiscal year in the event of unforeseen circumstances. The amendment procedures will follow the procedures for public review and adoption of the original budget by the board outlined in these policies.

It is the responsibility of the superintendent and the board secretary to bring any budget amendments necessary to the attention of the board to allow sufficient time to file the amendment with the county auditor no later than May 31 of each year.

Legal Reference: Iowa Code §§ 24; 257; 279.8; 297; 298; 618.

Cross Reference: 214 Public Hearings  
703 Budget  
704 Revenue  
705 Expenditures

Approved 6/21/21

Reviewed

Revised

SPENDING PLAN

The budget of the school district is the authority for the expenditures of the school district for the fiscal year for which the budget was adopted and certified. It is the responsibility of the superintendent to operate the school district within the budget.

Legal Reference: Iowa Code § 24.9

Cross Reference: 703 Budget  
704 Revenue

Approved 6/21/21

Reviewed

Revised

## LOCAL - STATE - FEDERAL - MISCELLANEOUS REVENUE

Revenues of the school district are received by the board treasurer. Other persons receiving revenues on behalf of the school district will promptly turn them over to the board treasurer.

Revenue, from whatever source, is accounted for and classified under the official accounting system of the school district. It is the responsibility of the board treasurer to deposit the revenues received by the school district in a timely manner. School district funds from all sources will not be used for private gain or political purposes.

Tuition fees received by the school district are deposited in the general fund. The tuition fees for kindergarten through twelfth grade during the regular academic school year are set by the board based upon the superintendent's recommendation in compliance with current law. Tuition fees for summer school, driver's education and adult education are set by the board prior to the offering of the programs.

The board may charge materials fees for the use or purchase of educational materials. Materials fees received by the school district are deposited in the general fund. It is the responsibility of the superintendent to recommend to the board when materials fees will be charged and the amount of the materials fees.

Rental fees received by the school district for the rental of school district equipment or facilities are deposited in the general fund. It is the responsibility of the superintendent to recommend to the board a fee schedule for renting school district property.

Proceeds from the sale of real property are placed in the physical plant and equipment levy (PPEL) fund. The proceeds from the sale of other school district property are placed in the general fund.

The board may claim exemption from the law prohibiting competition with private enterprise for the following activities:

- Goods and services directly and reasonably related to the educational mission;
- Goods and services offered only to students, employees or guests which cannot be provided by private enterprise at the same or lower cost;
- Use of vehicles for charter trips offered to the public, full- or part-time, or temporary students;
- Goods and services which are not otherwise available in the quantity or quality required by the school district;
- Telecommunications other than radio or television stations;
- Sponsoring or providing facilities for fitness and recreation;
- Food service and sales; and,
- Sale of books, records, tapes, software, educational equipment, and supplies.

It is the responsibility of the superintendent to bring to the board's attention additional sources of revenue for the school district.

Legal Reference: Iowa Code §§ 12C; 23A; 257.2; 279.8; 282.2, .6, .24; 291.12, 297.9-.12, .22; 301.1.

Cross Reference: 701.1 Depository of Funds  
703 Budget  
803 Selling and Leasing  
905 Use of School District Facilities & Equipment

Approved 6/21/21

Reviewed

Revised

## DEBT MANAGEMENT POLICY

### DEBT LIMITS

#### Credit Ratings

The school district seeks to maintain the highest possible credit ratings for all categories of short- and long-term debt that can be achieved without compromising the delivery of services and the achievement of adopted objectives. The school district recognizes that external economic, natural, or other events may from time to time affect the creditworthiness of its debt. Nevertheless, the school district is committed to ensuring that actions within their control are prudent.

#### Debt Limits

For general obligation debt, the school district's outstanding debt limit shall be no more than five percent (5%) of the actual value of property within the school district's boundaries, as prescribed the Iowa constitution and statutory restrictions.

For revenue debt, the school district's goal is to provide adequate debt service coverage of at least 1.20 times the annual debt service costs.

In accordance with Iowa law, the school district may not act as a conduit issuer or issue municipal securities to raise capital for revenue-generating projects where the funds generated are used by a third party ("conduit borrower") to make payments to investors.

### PURPOSES AND USES OF DEBT

#### Capital Planning

To enhance creditworthiness and prudent financial management, the school district is committed to systematic capital planning, intergovernmental cooperation and coordination and long-term financial planning.

#### Capital Financing

The school district may issue long-term debt for capital projects as authorized by Iowa law, which include, but are not limited to, the costs of planning, design, land acquisition, buildings, permanent structures, attached fixtures or equipment, and movable pieces of equipment. Capitalized interest may be included in sizing any capital project debt issue. The types of debt instruments to be used by the school district include:

- General Obligation Bonds
- General Obligation Capital Loan Notes
- Bond Anticipation Notes
- Revenue Anticipation Notes
- School Infrastructure Sales, Services and Use Tax Revenue Bonds
- Lease Purchase Agreements, including Certificates of Participation

#### Working Capital Financing

The school district may issue debt for working capital for operations after cash flow analysis has determined that there is a mismatch between available cash and cash outflows. The school district shall strive to repay working capital debt by the end of the fiscal year in which the debt was incurred. A Working Capital Reserve may be included in sizing any working capital debt issue.

#### Refundings

Periodic reviews of all outstanding debt will be undertaken to determine if refunding opportunities exist. Refunding will be considered (within federal tax law restraints) if and when there is a net economic benefit of the refunding or if the refunding is otherwise in the best interests of the school district, such as to release restrictive bond covenants which affect the operations and management of the school district.

In general, advance refundings for economic savings will be undertaken when a net present value savings exceeds three percent of the refunded debt can be achieved. Current refundings, which produce a new present value savings of less than three percent will be considered on a case-by-case basis taking into consideration bond covenants and general conditions. Refundings with negative savings will not be considered unless there is a compelling public policy objective for doing so.

## **DEBT STANDARDS AND STRUCTURE**

### **Length of Debt**

Debt will be structured for the shortest period consistent with a fair allocation of costs to current and future beneficiaries or users. Long-term debt will not be issued for periods exceeding the useful life or average useful lives of the project or projects to be financed. All debt issued will adhere to state and federal law regarding the length of time the debt may be outstanding.

### **Debt Structure**

Debt will be structured to achieve the lowest possible net cost to the school district given market conditions, the urgency of the capital project, the type of debt being issued, and the nature and type of repayment source. To the extent possible, the school district will design the repayment of its overall debt to rapidly recapture its credit capacity for future use.

Generally, the school district will only issue fixed-rate debt. In very limited circumstances, the school district may issue variable rate debt, consistent with the limitations of Iowa law and upon a finding of the board that the use of fixed rate debt is not in the best interest of the school district and a statement of the reasons for the use of variable rate debt.

All debt may be structured using discount, par or premium coupons, and as serial or term bonds or notes, or any combination thereof, consistent with Iowa law. The school district should utilize the coupon structure that produces the lowest True Interest Cost (TIC) taking into consideration the call option value of any callable maturities.

The school district will strive to structure their debt in sinking fund installments for each debt issue that achieves, as nearly as practicable, level debt service within an issue or overall debt service within a particular classification of debt.

Derivatives (including, but not limited to, interest rate swaps, caps, collars, corridors, ceiling and floor agreements, forward agreements, float agreements, or other similar financing arrangements), zero-coupon or capital appreciation bonds are not allowed to be issued consistent with State law.

### **Decision Analysis to Issue Debt**

Whenever the school district is contemplating the issuance of debt, information will be developed concerning the following four categories commonly used by rating agencies assessing the school district's credit worthiness, listed below.

Debt Analysis – Debt capacity analysis; purpose for which debt is proposed to be issued; debt structure; debt burden; debt history and trends; and adequacy of debt and capital planning.

Financial Analysis – Stability, diversity, and growth rates of tax or other revenue sources; trend in assessed valuation and collections; current budget trends; appraisal of past revenue and expenditure trends; history and long-term trends of revenues and expenditures; evidences of financial planning; adherence to GAAP; audit results; fund balance status and trends in operating and debt funds; financial monitoring systems and capabilities; and cash flow projections.

Governmental and Administrative Analysis – Government organization structure; location of financial responsibilities and degree of control; adequacy of basic service provision; intergovernmental cooperation/conflict and extent of duplication; and overall planning efforts.

Economic Analysis – Geographic and location advantages; population and demographic characteristics; wealth indicators; types of employment, industry and occupation; housing characteristics; new construction; evidences of industrial decline; and trend of the economy.

## **DEBT ISSUANCE**

### **Credit Enhancement**

Credit enhancements (.i.e., bond insurance, etc.) may be used but only when the net debt service on the debt is reduced by more than the costs of the credit enhancement.

### **Costs and Fees**

All costs and fees related to issuing the debt will be paid out of debt proceeds and allocated across all projects receiving proceeds of the debt issue.

### **Method of Sale**

Generally, all school district debt will be sold through a competitive bidding process. Bids will be awarded on a TIC basis providing other bidding requirements are satisfied.

The school district may sell debt using a negotiated process in extraordinary circumstances when the complexity of the issue requires specialized expertise, when the negotiated sale would result in substantial savings in time or money, or when market conditions of school district credit are unusually volatile or uncertain.

### **Professional Service Providers**

The school district will retain external bond counsel for all debt issues. All debt issued by the school district will include a written opinion by bond counsel affirming that the school district is authorized to issue the debt, stating that the school district has met all Iowa constitutional and statutory requirements necessary for issuance and determining the debt's federal income tax status. The bond counsel retained must have comprehensive municipal debt experience and a thorough understanding of Iowa law as it relates to the issuance of the particular debt.

The school district will retain an independent financial advisor. The financial advisor will be responsible for structuring and preparing all offering documents for each debt issue. The financial advisor retained will have comprehensive municipal debt experience, experience with diverse financial structuring and pricing of municipal securities.

The treasurer shall have the authority to periodically select other service providers (e.g., escrow agents, verification agents, trustees, arbitrage consultants, rebate specialist, etc.) as necessary to meet legal requirements and minimize net debt costs. These services can include debt restructuring services and security or escrow purchases.

Compensation for bond counsel, financial advisor and other service providers will be as economical as possible and consistent with industry standards for the desired qualification levels.

## **DEBT MANAGEMENT**

### **Investment of Debt Proceeds**

The school district shall invest all proceeds received from the issuance of debt separate from the school district's consolidated cash pool unless otherwise specified by the authorizing bond resolution or trust indenture. Investments will be consistent with those authorized by Iowa law and the school district's Investment Policy to maintain safety of principal and liquidity of the funds.

**Arbitrage and Record Keeping Compliance**

The treasurer shall maintain a system of record-keeping, reporting and compliance procedures with respect to all federal tax requirements which are currently, or may become applicable through the lifetime of all tax-exempt or tax credit bonds.

Federal tax compliance, record-keeping, reporting and compliance procedures shall include not be limited to:

- post-issuance compliance procedures (including proper use of proceeds, timely expenditure of proceeds, proper use of bond financed property, yield restriction and rebate, and timely return filing);
- proper maintenance of records to support federal tax compliance;
- investments and arbitrage compliance;
- expenditures and assets;
- private business use; and
- designation of primary responsibilities for federal tax compliance of all bond financings.

**Financial Disclosure**

The school district is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, other levels of government, and the general public to share comprehensible and accurate financial information. The school district is dedicated to meeting secondary disclosure requirements on a timely and comprehensive basis, as promulgated by the Securities and Exchange Commission.

The Official Statements accompanying debt issues, Annual Audits, and Continuing Disclosure statements will meet the standards articulated by the Municipal Securities Rulemaking Board (MSRB), the Government Accounting Standards Board (GASB), the Securities and Exchange Commission (SEC), Generally Accepted Accounting Principles (GAAP) and the Internal Revenue Service (IRS). The treasurer shall be responsible for ongoing debt disclosure as required by any Continuing Disclosure Certificate for any debt issue and for maintain compliance with disclosure standards promulgated by state and federal regulatory bodies

Legal Reference            Iowa Code §§ 74-76; 278.1; 298; 298A.

Cross Reference:        701     Financial Accounting System  
                                  704     Revenue

Approved    6/21/21

Reviewed

Revised

## POST-ISSUANCE COMPLIANCE REGULATION FOR TAX-EXEMPT OBLIGATIONS

## 1. Role of Compliance Coordinator/Board Treasurer

The board treasurer shall:

- a) Be responsible for monitoring post-issuance compliance;
- b) Maintain a copy of the transcript of proceedings or minutes in connection with the issuance of any tax-exempt obligations and obtain records that are necessary to meet the requirements of this regulation;
- c) Consult with bond counsel, a rebate consultant, financial advisor, IRS publications and such other resources as are necessary to understand and meet the requirements of this regulation;
- d) Seek out training and education to be implemented upon the occurrence of new developments in the area and upon the hiring of new personnel to implement this regulation.

## 2. Financing Transcripts' Filing and Retention

The board treasurer shall confirm the proper filing of an IRS 8038 Series return and maintain a transcript of proceedings and minutes for all tax-exempt obligations issued by the school district including, but not limited to, all tax-exempt bonds, notes and lease-purchase contracts. Each transcript shall be maintained until 11 years after the tax-exempt obligation documents have been retired. The transcript shall include, at a minimum:

- a) Form 8038;
- b) Minutes, resolutions and certificates;
- c) Certifications of issue price from the underwriter;
- d) Formal elections required by the IRS;
- e) Trustee statements;
- f) Records of refunded bonds, if applicable;
- g) Correspondence relating to bond financings; and
- h) Reports of any IRS examinations for bond financings.

## 3. Proper Use of Proceeds

The board treasurer shall review the resolution authorizing issuance for each tax-exempt obligation issued by the school district and the school district shall:

- a) Obtain a computation of the yield on such issue from the school district's financial advisor;
- b) Create a separate Project Fund (with as many sub-funds as shall be necessary to allocate proceeds among the projects being funded by the issue) into which the proceeds of issue shall be deposited;
- c) Review all requisitions, draw schedules, draw requests, invoices and bills requesting payment from the Project Fund;
- d) Determine whether payment from the Project Fund is appropriate and, if so, make payment from the Project Fund (and appropriate sub-fund, if applicable);
- e) Maintain records of the payment requests and corresponding records showing payment;
- f) Maintain records showing the earnings on, and investment of, the Project Fund;
- g) Ensure that all investments acquired with proceeds are purchased at fair market value;
- h) Identify bond proceeds or applicable debt service allocations that must be invested with a yield-restriction and monitor the investments of any yield-restricted funds to ensure that the yield on such investments do not exceed the yield to which such investments are restricted;
- i) Maintain records related to any investment contracts, credit enhancement transactions and the bidding of financial products related to the proceeds

## 4. Timely Expenditure and Arbitrage/Rebate Compliance

The board treasurer shall review the Tax-Exemption Certificate (or equivalent) for each tax-exempt obligation issued by the school district and the expenditure records provided in Section 2 of this regulation, above and shall:

- a) Monitor and ensure that proceeds of each such issue are spent within the temporary period set forth in such certificate;
- b) Monitor and ensure that the proceeds are spent in accordance with one or more of the applicable exceptions to rebate as set forth in such certificate if the school district does not meet the "small issuer" exception for said obligation;
- c) Not less than 60 days prior to a required expenditure date, confer with bond counsel and a rebate consultant, if the school district will fail to meet the applicable temporary period or rebate exception expenditure requirements of the Tax-Exemption Certificate. In the event the school district fails to meet a temporary period or rebate exception:
  - 1) Procure a timely computation of any rebate liability and, if rebate is due, file a Form 8038-T and arrange for payment of such rebate liability;
  - 2) Arrange for timely computation and payment of yield reduction payments (as such term is defined in the Code and Treasury Regulations), if applicable.

#### 5. Proper Use of Bond Financed Assets

The board treasurer shall:

- a) Maintain appropriate records and a list of all bond financed assets. Such records shall include the actual amount of proceeds (including investment earnings) spent on each of the bond financed assets;
- b) Monitor and confer with bond counsel with respect to all proposed bond financed assets;
  - 1) management contracts;
  - 2) service agreements;
  - 3) research contracts;
  - 4) naming rights contracts;
  - 5) leases or sub-leases;
  - 6) joint venture, limited liability or partnership arrangements;
  - 7) sale of property; or
  - 8) any other change in use of such asset.
- c) Maintain a copy of the proposed agreement, contract, lease or arrangement, together with the response by bond counsel with respect to said proposal for at least three years after retirement of all tax-exempt obligations issued to fund all or any portion of bond financed assets; and
- d) Contact bond counsel and ensure timely remedial action under IRS Regulation Sections 1.141-12 in the event the school district takes an action with respect to a bond financed asset, which causes the private business tests or private loan financing test to be met.

#### 6. General Project Records

For each project financed with tax-exempt obligations, the board treasurer shall maintain, until three years after retirement of the tax-exempt obligations or obligations issued to refund those obligations, the following:

- a) Appraisals, demand surveys or feasibility studies;
- b) Applications, approvals and other documentation of grants;
- c) Depreciation schedules;
- d) Contracts respecting the project

#### 7. Advance Refundings

The board treasurer shall be responsible for the following current, post issuance and record retention procedures with respect to advance refunding bonds. The board treasurer shall:

- a) Identify and select bonds to be advance refunded with advice from internal financial personnel and a financial advisor;
- b) Identify, with advice from the financial advisor and bond counsel, any possible federal tax compliance issues prior to structuring any advance refunding;

- c) Review the structure with the input of the financial advisor and bond counsel, of advance refunding issues prior to the issuance to ensure;
    - 1) that the proposed refunding is permitted pursuant to applicable federal tax requirements if there has been a prior refunding of the original bond issue;
    - 2) that the proposed issuance complies with federal income tax requirements which might impose restrictions on the redemption date of the refunded bonds;
    - 3) that the proposed issuance complies with federal income tax requirements which allow for the proceeds and replacement proceeds of an issue to be invested temporarily in higher yielding investments without causing the advance refunding bonds to become "arbitrage bonds"; and
    - 4) that the proposed issuance will not result in the issuer's exploitation of the difference between tax exempt and taxable interest rates to obtain a financial advantage nor overburden the tax exempt market in a way that might be considered an abusive transaction for federal tax purposes;
  - d) and review data related to arbitrage yield restriction and rebate requirements for advance refunding bonds. To ensure such compliance, the board treasurer shall engage a rebate consultant to prepare a verification report in connection with the advance refunding issuance. Said report shall ensure said requirements are satisfied;
  - e) Whenever possible, purchase State and Local Government Series (SLGS) to size each advance refunding escrow. The financial advisor shall be included in the process of subscribing SLGS. To the extent SLGS are not available for purchase, the Board treasurer shall, in consultation with bond counsel and the financial advisor, comply with IRS regulations;
  - f) Ensure, after input from bond counsel, compliance with any bidding requirements set forth by the IRS regulations to the extent as issuer elects to the purchase of a guaranteed investment contract;
  - g) In determining the issue price for any advance refunding issuance, obtain and retain issue price certification by the purchasing underwriter at closing;
  - h) After the issuance of an advance refunding issue, ensure timely identification of violations of any federal tax requirements and engage bond counsel in attempt to remediate same in accordance with IRS regulations.
8. Continuing Disclosure
- The board treasurer shall assure compliance with each continuing disclosure certificate and annually, per continuing disclosure agreements, file audited annual financial statements and other information required by each continuing disclosure agreement. The board treasurer will monitor material events as described in each continuing disclosure agreement and assure compliance with material event disclosure. Events to be reported shall be reported promptly, but in no event not later than 10 business days after the day of the occurrence of the event. Currently, such notice shall be given in the event of:
- a) Principal and interest payment delinquencies;
  - b) Non-payment related defaults, if material;
  - c) Unscheduled draws on debt service reserves reflecting financial difficulties;
  - d) Unscheduled draws on credit enhancements relating to the bonds reflecting financial difficulties;
  - e) Substitution of credit or liquidity providers, or their failure to perform;
  - f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices, or determinations with respect to the tax-exempt status of the bonds, or material events affecting the tax-exempt status of the bonds;
  - g) Modifications to rights of Holders of the Bonds, if material;
  - h) Bond calls (excluding sinking fund mandatory redemptions), if material and tender offers;
  - i) Defeasances of the bonds;
  - j) Release, substitution, or sale of property securing repayment of the bonds, if material;
  - k) Rating changes on the bonds;
  - l) Bankruptcy, insolvency, receivership or similar event of the Issuer;

- m) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

## INVESTMENTS

School district funds in excess of current needs are invested in compliance with this policy. The goals of the school district's investment portfolio in order of priority are:

- To provide safety of the principal;
- To maintain the necessary liquidity to match expected liabilities; and
- To obtain a reasonable rate of return.

In making investments, the school district will exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use to meet the goals of the investment program.

School district funds are monies of the school district, including operating funds. "Operating funds" of the school district are funds which are reasonably expected to be used during a current budget year or within fifteen months of receipt. When investing operating funds, the investments must mature within three hundred and ninety-seven days or less. If, during the current budget year an amount of public funds will exceed operating funds by at least thirty-three percent, the amount of public funds that exceed operating funds by greater than thirty-three percent may be invested in certificates of deposit at federally insured depository institutions which mature within sixty-three months or less, in accordance with state and federal laws. When investing funds other than operating funds, the investments must mature according to the need for the funds.

The board authorizes the treasurer to invest funds in excess of current needs in the following investments.

- Interest bearing savings, money market, and checking accounts at the school district's authorized depositories;
- Iowa Schools Joint Investment Trust Program (ISJIT); and,
- Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions.

It is the responsibility of the treasurer to oversee the investment portfolio in compliance with this policy and the law.

The treasurer is responsible for reporting to and reviewing with the board at its regular meetings the investment portfolio's performance, transaction activity and current investments.

It is the responsibility of the superintendent to deliver a copy of this policy to the school district's depositories, auditor and outside persons doing investment business with the school district.

It will also be the responsibility of the superintendent, in conjunction with the treasurer, to develop a system of investment practices and internal controls over the investment practices. The investment practices are designed to prevent losses, to document the officers' and employees' responsibility for elements of the investment process and address the capability of the management.

Legal Reference: Iowa Code §§ 11.2, .6; 12.62; 12B.10; 10A; 12C; 22.1, .14; 28E.2; 257; 279.29; 283A; 285; 502.701; 633.123.

Cross Reference: 206.4 Treasurer  
704 Revenue

Approved 6/21/21

Reviewed

Revised

## GIFTS - GRANTS - BEQUESTS

The board believes gifts, grants, and bequests to the school district may be accepted when they will further the interests of the school district. The board will have sole authority to determine whether the gift furthers the interests of the school district.

Gifts, grants, and bequests are approved by the board. Once it has been approved by the board, a board member or the superintendent may accept the gift on behalf of the school district.

Gifts, grants, and bequests once accepted on behalf of the school district become the property of the school district. Gifts, grants, and bequests are administered in accordance with terms, if any, agreed to by the board.

Legal Reference: Iowa Code §§ 279.42; 565.6.

Cross Reference: 217 Gifts to Board of Directors  
402.4 Gifts to Employees  
508.1 Class or Student Group Gifts

STUDENT ACTIVITIES FUND

Revenue raised by students or from student activities is deposited and accounted for in the student activities fund. This revenue is the property of and is under the financial control of the board. Students may use this revenue for purposes approved by the activity director.

Whether such revenue is collected from student contributions, club dues, and special activities or result from admissions to special events or from other fund-raising activities, all funds will be under the jurisdiction of the board and under the specific control of the Central Office. They will be deposited in a designated depository and will be disbursed and accounted for in accordance with instructions issued by the superintendent.

It is the responsibility of the board secretary to keep student activity accounts up-to-date and complete.

Any unencumbered class or activity account balances will automatically revert to the activity fund when a class graduates or an activity is discontinued.

Legal Reference: Iowa Code § 279.8.

Cross Reference: 504 Student Activities  
701 Financial Accounting System

Approved 6/21/21

Reviewed

Revised

## ONLINE FUNDRAISING CAMPAIGNS – CROWDFUNDING

The Maquoketa Valley School Board of Education believes online fundraising campaigns, including crowdfunding campaigns, may further the interests of the district. Any person or entity acting on behalf of the district and wishing to conduct an online fundraising campaign for the benefit of the district shall begin the process by seeking prior approval from the Superintendent. Money or items raised by an online fundraising campaign will be the property of the district only upon acceptance by the board, and will be used only in accordance with the terms for which they were given, as agreed to by the board.

Approval of requests shall depend on factors including, but not limited to:

- Compatibility with the district’s educational program, mission, vision, core values, and beliefs;
- Congruence with the district and school goals that positively impact student performance;
- The district’s instructional priorities;
- The manner in which donations are collected and distributed by the crowdfunding platform;
- Equity in funding; and
- Other factors deemed relevant or appropriate by the district.

If approved, the requestor shall be responsible for preparing all materials and information related to the online fundraising campaign and keeping district administration apprised of the status of the campaign.

The requestor is responsible for compliance with all state and federal laws and other relevant district policies and procedures. All items and money generated are subject to the same controls and regulations as other district property and shall be deposited or inventoried accordingly. No money raised or items purchased shall be distributed to individual employees.

Legal Reference: Iowa Code §§ 279.8; 279.42; 565.6.

Cross Reference: 508.1 Class or Student Group Gifts  
 504.5 Student Fundraising  
 704.4 Gifts – Grants – Bequests  
 904.2 Advertising and Promotion

Approved 6/21/21

Reviewed

Revised

## PURCHASING – BIDDING

The board supports economic development in Iowa, particularly in the school district community. As permitted by law, purchasing preference will be given to Iowa goods and services from locally-owned businesses located within the school district or Iowa based companies if the cost and other considerations are relatively equal and meet the required specifications. However, when spending federal Child Nutrition Funds, geographical preference is allowed only for unprocessed agricultural food items as a part of response evaluation. Other statutory purchasing preferences will be applied as provided by law, including goals with regard to procurement from certified targeted small businesses, minority-owned businesses, and female-owned businesses.

Prior to August 15 of each year and after analyzing the school district's anticipated procurement level for the current fiscal year, the school board will set a goal of ten percent of the anticipated procurement level to be purchased from certified targeted small businesses. In determining the procurement level, the cost of utilities (heat, electricity, telephone and natural gas) and employees' costs will not be included. After the goal has been established, the superintendent will file the required Targeted Small Business Procurement form with the Department of Education by August 15.

By July 31 of each year, the superintendent will file a report with the Department of Education outlining purchases of goods and services from targeted small businesses for the previous fiscal year.

The school board and superintendent will encourage targeted small businesses which are not certified with the Department of Inspections and Appeals to become certified targeted small businesses.

### **Goods and Services**

The board shall enter into goods and services contract(s) as the board deems to be in the best interest of the school district. It shall be the responsibility of the superintendent to approve purchases, except those requiring board approval as described below or as provided by in law. The superintendent may coordinate and combine purchases with other governmental bodies to take advantage of volume price breaks. Joint purchases with other political subdivisions will be considered in the purchase of equipment, accessories, or attachments with an estimated cost of \$50,000 or more.

Purchases for goods and services shall conform to the following:

- The superintendent shall have the authority to authorize purchases without prior board approval and without competitive request for proposals, quotations, or bids for goods and services up to \$25,000.
- For goods and services costing at least \$25,001 and up to \$100,000, the superintendent shall receive proposals, quotations, or bids for the goods and services to be purchased prior to board approval. The quotation process may be informal, and include written or unwritten quotations.
- For goods and services exceeding, \$100,001, the competitive request for proposal (RFP) or competitive bid process shall be used and received prior to board approval. RFPs and bids are formal, written submissions via sealed process.

In the event that only one quotation or bid is submitted, the board may proceed if the quotation or bid meets the contract award specifications.

The contract award may be based on several cost considerations including, but not limited to the following:

- The cost of the goods and services being purchased;
- Availability of service and/or repair;
- The targeted small business procurement goal and other statutory purchasing preferences; and
- Other factors deemed relevant by the board.

The board may elect to exempt certain professional services contracts from the thresholds and procedures outlined above.

The thresholds and procedures related to purchases of goods and services do not apply to public improvement projects.

### **Public Improvements**

The board shall enter into public improvement contract(s) as the board deems to be in the best interest of the school district. 'Public improvement' means "a building or construction work which is constructed under the control of a governmental entity and for which either of the following applies: (1) has been paid for in whole or in part with funds of the governmental entity; (2) a commitment has been made prior to construction by the governmental entity to pay for the building or construction work in whole or in part with funds of the governmental entity. This includes a building or improvement constructed or operated jointly with any public or private agency."

The district shall follow all requirements, timelines, and processes detailed in Iowa law related to public improvement projects. The thresholds regarding when competitive bidding or competitive quotations is required will be followed. Competitive bidding is required for public improvement contracts exceeding the minimum threshold stated in law. Competitive quotations are required for public improvement projects that exceed the minimum threshold amount stated in law, but do not exceed the minimum set for competitive bidding. The board shall approve competitive bids and competitive quotes. If the total cost of the public improvement does not warrant either competitive bidding or competitive quotations, the district may nevertheless proceed with either of these processes, if it so chooses.

The award of all contracts for the public improvement shall be awarded to the lowest responsive, responsible bidder. In the event of an emergency requiring repairs to a school district facility that exceed bidding and quotation thresholds, please refer to policy 802.3.

The district shall comply with all federal and state laws and regulations required for procurement, including the selection and evaluation of contractors. The superintendent or designee is responsible for developing an administrative process to implement this policy, including, but not limited to, procedures related to suspension and debarment for transactions subject to those requirements.

Legal Reference: Iowa Code §§ 26; 28E; 72.3; 73; 73A; 285; 297; 301.  
261 I.A.C. 54.  
281 I.A.C. 43.25.

Cross Reference: 705 Expenditures  
801.4 Site Acquisition  
802 Maintenance, Operation and Management  
802.3 Emergency Repairs  
803 Selling and Leasing

Approved 6/21/21

Reviewed

Revised

## SUSPENSION AND DEBARMENT OF VENDORS AND CONTRACTORS PROCEDURE

In connection with transactions subject to federal suspension and debarment requirements, the district is prohibited from entering into transactions with parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

When soliciting bids or otherwise preparing to enter into such a transaction, the superintendent or designee will use at least one of the following verification methods to ensure that any parties to the transaction are not suspended or debarred prior to committing to any sub-award, purchase, or contract:

- (1) Obtaining a certification of a party's compliance with the federal suspension and debarment requirements in connection with any application, bid, or proposal;
- (2) Requiring compliance with the federal suspension and debarment requirements as an express condition of any sub-award, purchase, or contract in question; or
- (3) Prior to committing to any sub-award, purchase, or contract, check the online Federal System for Award Management at <https://sam.gov/portal/SAM/##11> to determine whether the relevant party is subject to any suspension or debarment restrictions.

## USING FEDERAL FUNDS IN PROCUREMENT CONTRACTS

In addition to the District's standard procurement and purchasing procedures, the following procedures for vendors/contractors paid with federal funds are required. When federal, state, and local requirements conflict, the most stringent requirement will be followed.

**1) 2 CFR Part 200, Subpart D Subsection §200.318 (c)(1)**

No District employee, officer, or agent may participate in the selection, award and administration of contracts supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. District officers, employees, and agents may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, for situations where the financial interest is not substantial or the gift is an unsolicited item of nominal value, district employees must abide by all relevant board policies. Violation of this requirement may result in disciplinary action for the District employee, officer, or agent.

**2) 2 CFR Part 200, Subpart D Subsection §200.320 (e)(1-4)**

Procurement for contracts paid with federal funds may be conducted by noncompetitive (single source) proposals when one or more of the following circumstances apply: (1) the item is only available from a single source; (2) public exigency or emergency will not permit the delay resulting from competitive bids; (3) the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or (4) after solicitation of a number of sources, competition is inadequate.

**3) 2 CFR Part 200, Subpart D Subsection §200.321**

The District will take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include: (1) placing such businesses on solicitation lists; (2) soliciting such businesses whenever they are potential sources; (3) when economically feasible, dividing contracts into smaller tasks or quantities to allow participation from such businesses; (4) establishing delivery schedules that encourage participation by such businesses; (5) when appropriate, utilizing the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) requiring the primary contractor to follow steps (1) through (5) when subcontractors are used.

The district will include the following provisions in all procurement contracts or purchase orders include the following provisions when applicable:

**1) 2 CFR Part 200 Appendix II**

- A. Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- B. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

- C. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- D. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- E. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- F. Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

- G. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- H. Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- I. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- J. See §200.322 Procurement of recovered materials.  
§200.216 Prohibition on certain telecommunications and video surveillance services or equipment
- a. The district is prohibited from obligating or expending loan or grant funds to:
    - i. Procure or obtain;
    - ii. Extend or renew a contract to procure or obtain; or
    - iii. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
      1. For purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunication equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
      2. Telecommunications or video surveillance services provided by such entities or using such equipment.
      3. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence of the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned by or controlled by, or otherwise connected to, the government of a foreign country.

- b. In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (l), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.
- c. See Public Law 115-232, section 889 for additional information.
- d. See also §200.471.

Legal Reference: Title 2 Code of Federal Regulation (C.F.R.) Grants and Agreements, Part 200  
Uniform Administrative Requirements, Cost Principles, and Audit  
Requirements for Federal Awards

PURCHASING ON BEHALF OF EMPLOYEES

Generally, the school district will not purchase items on behalf of employees. The school district may in unusual and unique circumstances do so. It is within the discretion of the board to determine when unique and unusual circumstances exist.

No purchase is made unless the employee has paid the school district prior to the order being placed and the employee has agreed to be responsible for any taxes or other expenses due.

Legal Reference: Iowa Code § 279.8

Cross Reference: 703 Budget

Approved 6/21/21

Reviewed

Revised

## PAYMENT FOR GOODS AND SERVICES

The board authorizes the issuance payment of claims against the school district for goods and services. The board will allow the payment after the goods and services have been received and accepted in compliance with board policy.

The board authorizes the board secretary, upon approval of the superintendent, to issue payment for verified bills, for reasonable and necessary expenses, when the board is not in session. The board secretary will examine the claims and verify bills. The board will approve the bills at its next regular meeting.

The secretary will determine to the secretary's satisfaction that the claims presented to the board are in order and are legitimate expenses of the school district. It is the responsibility of the secretary to bring claims to the board.

The board president and board secretary may sign warrants by use of a signature plate or rubber stamp. If the board president is unavailable to personally sign warrants, the vice president may sign warrants on behalf of the president.

It is the responsibility of the superintendent to develop the administrative regulations regarding this policy.

Legal Reference: *Love v. City of Des Moines*, 210 Iowa 90, 230 N.W. 373 (1930).  
Iowa Code §§ 279.8, .29, .30, .36; 291.12; 721.2(5).  
281 I.A.C. 12.3(1).

Cross Reference: 705 Expenditures

Approved 6/21/21

Reviewed

Revised

## EXPENDITURES FOR A PUBLIC PURPOSE

The board recognizes that school district funds are public funds, and as such, should be used to further a public purpose and the overall educational mission of the school community. The district is committed to managing and spending public funds in a transparent and responsible manner. Prior to making a purchase with public funds, an individual should be comfortable defending the purchase/reimbursement to the taxpayers in the district. If the individual is uncomfortable doing so, the purchase may not fulfill a public purpose and additional guidance should be sought before the purchase is made.

Individuals who have concerns about the public purpose of a purchase or reimbursement should utilize the district's *Internal Controls* policy and regulation as a resource for questioning a purchase. Concerns should be reported to the superintendent and/or the board president.

The superintendent shall develop a process for approving expenditures of public funds. The board will review expenditures and applicable reports as necessary to ensure proper oversight of the use of public funds. To the extent possible, expenditures shall be pre-approved by the district prior to expending the funds. Purchases of food and refreshment for district staff, even within district, should comply with the district's *Employee Travel Compensation* policy, and all other applicable policies. All purchases/reimbursements shall comply with applicable laws, board policies and district accounting requirements.

Additional guidance regarding appropriate expenditures of school funds is provided in the regulation accompanying this policy

Legal References: Iowa Constitution Art. III, sec. 31;  
Iowa Code §§ 68A.505; 279.8; 721.2.  
281 I.A.C. 98.70

Cross References: 401.7 Employee Travel Compensation  
704.1 Local-State-Federal-Miscellaneous Revenue  
704.5 Student Activities Fund  
705.1 Purchasing-Bidding  
705.2 Purchasing on Behalf of Employees  
705.3 Payment for Goods and Services  
707.5 Internal Controls  
905.1 Community Use of School District Facilities & Equipment

## USE OF PUBLIC FUNDS REGULATION

The following is a list of examples organized by activity for what is allowable, or not allowable as a purchase/reimbursement using public funds. This regulation is intended as guidance and there may be situations that are not listed here. Any questions regarding the appropriateness of an expenditure should be submitted to administration **prior** to expending funds.

**Reimbursements to an Individual**

- **Use of Credit/Procurement Card:** All purchases through a district-owned credit or procurement card shall be pre-approved and comply with the district's policy *401.10 – Credit and Procurement Cards*.
- **Mileage:** Individuals who are required to travel (other than to and from work) as part of fulfilling their job duties to the district shall be reimbursed for mileage costs in accordance with the requirements stated in the district's *Employee Travel Compensation* policy.
- **Travel accommodations:** Employees who are required to travel and stay overnight as part of fulfilling their job duties to the district shall be reimbursed for costs in accordance with the requirements stated in the district's *Employee Travel Compensation* policy.
- **Alcohol:** Alcohol is a personal expense and is never allowable for purchase or reimbursement using public funds.
- **Food/Refreshments:** Food and refreshments are typically a personal expense. Meetings spanning meal times should be avoided when possible. When a district meeting is required to take place spanning a customary meal time, the superintendent or designee shall determine whether food and/or refreshment will be provided to employees whose presence is required during the meeting. The cost of food and refreshment for employees shall be reasonable, and when possible, a separate itemized receipt for each employee is required. If an itemized receipt is not available, approval is required by the school business official prior to reimbursement. In all cases, the names and number of employees shall be noted on the receipt.
- **Apparel/Personal Items:** Apparel and personal items including, but not limited to items such as t-shirts, hats, mugs, etc. provide personal benefit to individuals and are a personal expense. These items shall not be purchased or reimbursed with public funds.
- **Gifts:** Gift cards or gifts given to individuals are personal expenses and public funds should not be used (except for recognition/staff retirement, listed below) for these purposes. Voluntary collections from staff would be an acceptable way of purchasing gifts.
- **Retirement and Recognition Gifts:** Recognizing an employee or volunteer's years of dedication to educating the community and commitment to the district serves a public purpose by honoring individuals with a token gift, or honorarium, in recognition of their service. The same is true for individual awards, mementos, or items purchased in recognition of employee service to the district. These purchases may use public funds, provided the expenditures are modest and approved by the superintendent.
- **Honoraria:** District employees may at times receive an honorarium from an outside source as compensation for the employee's time devoted to preparing and delivering a presentation within the scope of their professional field. Honorariums may only be accepted by employees when the employee has used their personal time outside of their work for the district to prepare and deliver the presentation. If the employee uses district time or resources to prepare or deliver a presentation, any honorarium shall be given to the district.
- **Break Room Supplies:** The purchase of perishable or disposable supplies for employee break rooms is primarily designed for individual consumption and is a personal expense. This includes items such as coffee, coffee filters, plates, cups, spoons, napkins, etc.

### **Supplies for Public Areas**

- Limited refreshments such as water and coffee may be available in public reception areas of the district including, but not limited to the central office, the building administrator's office, etc. These refreshments may be purchased with the use of public funds, as they provide light refreshment to members of the community.

### **Staff Parties/Receptions**

- Parties and receptions to benefit individual staff members are considered a personal expense and should not be purchased or reimbursed with public funds. This includes but is not limited to holiday parties.
- Hosting a group reception to honor all employees retiring from the district in a given school year is allowable as a public expense. Hosting a retirement reception provides a direct benefit to the community as an opportunity for the community to attend and honor the retiring employees' years of dedication and service to the district.

### **School/ Student Activity Banquets**

- School/student activity banquets are typically a personal expense and will not be purchased or reimbursed with public funds unless the public purpose is submitted for review and pre-approved by the superintendent.

### **Memorial Gifts**

- Memorial flowers to convey sympathy or congratulations are allowable as a public expense if they have been approved by the superintendent. Memorial cards are always appropriate.
- Memorial gifts of any sort other than flowers and a card are a personal expense.

### **Student Incentives**

- It is within the discretion of the building principal to authorize the purchase of awards holding a nominal value to commemorate the achievements of a student or group of students. These awards should be designed to reward behavior and values that exemplify the educational and community mission of the district. Awards should not be gift cards or other monetary awards.
- Flowers and decorations for school dances held as part of the district's student activity program are an allowable expense paid out of the student activity fund, provided the purchases are approved by the building principal.

### **Meetings**

- To the extent possible, meetings which span normal meal times should be avoided.
- Meetings of the district's board of directors and board committees are made up of individuals who volunteer a large amount of their personal time to serve the needs of the school community. These meetings are also scheduled at time most convenient for the public, and often span normal meal hours. Food and refreshment purchased for board members is an acceptable use of public funds. The service of these unpaid volunteers directly benefits the entire school community. The superintendent has discretion to purchase/reimburse reasonable expenses for providing food and refreshment to these unpaid volunteers during these meetings.

Some expenditures will be considered personal expenses regardless of the context. These include purchase or reimbursement of alcohol, and personal items not included as retirement or memorial gifts listed above.

## PAYROLL PERIODS

The payroll period for the school district is monthly. Employees are paid in twenty-four (24) equal installments on or before the 15th of each month and the last working day of each month, unless otherwise requested and approved by the Central Office.

It is the responsibility of the board secretary to issue payroll to employees in compliance with this policy.

Legal Reference: Iowa Code §§ 20; 91A.

Cross Reference: 706.2 Payroll Deductions

Approved 6/21/21

Reviewed

Revised

## PAYROLL DEDUCTIONS

Ease of administration is the primary consideration for payroll deductions, other than those required by law. Payroll deductions are made for federal income tax withholdings, Iowa income tax withholdings, social security, and the Iowa Public Employees' Retirement System (IPERS).

Employees may elect to have amounts withheld from their pay for items authorized by law, subject to agreement of the district. Requests for these deductions will be made in writing to the superintendent.

It is the responsibility of the superintendent to determine which additional payroll deductions will be allowed.

Legal Reference: Iowa Code §§ 91A.2(4), .3; 294.8-.9, .16.

Cross Reference: 406.6 Licensed Employee Tax Shelter Programs  
412.4 Classified Employee Tax Shelter Programs  
706.1 Payroll Periods

## PAY DEDUCTIONS

The district provides leaves of absences to allow employees to be absent from work to attend to important matters outside of the workplace. As public employers, school districts are expected to record and monitor the work that employees perform and to conform to principles of public accountability in their compensation practices.

Consistent with principles of public accountability, it is the policy of the district that, when an employee is absent from work for less than one work day and the employee does not use accrued leave for such absence, the employee's pay will be reduced or the employee will be placed on leave without pay if:

- the employee has not sought permission to use paid leave for this partial-day absence,
- the employee has sought permission to use paid leave for this partial-day absence and permission has been denied,
- the employee's accrued paid leave has been exhausted, or,
- the employee chooses to use leave without pay.

In each case in which an employee is absent from work for part of a work day, a deduction from compensation will be made or the employee will be placed on leave without pay for a period of time which is equal to the employee's absence from the employee's regularly scheduled hours of work on that day.

Legal Reference: 29 U.S.C. Sec. 2 13(a)  
29 C.F.R. Part 541

Cross References: 409.8 Licensed Employee Unpaid Leave  
414.8 Classified Employee Unpaid Leave

Approved 6/21/21

Reviewed

Revised

## PAY DEDUCTION REGULATION

The district complies with all applicable laws with respect to payment of wages and benefits to employees including laws such as the federal Fair Labor Standards Act and the Iowa Wage Payment Collection Act. The district will not make pay deductions that violate either the federal or state laws.

Any employee who believes that the district has made an inappropriate deduction or has failed to make proper payment regarding wages or benefits is encouraged to immediately consult with the appropriate supervisor. Alternatively, any employee may file a formal written complaint with the Business Manager. Within 15 business days of receiving the complaint, the Business Manager will make a determination as to whether the pay deductions were appropriate and provide the employee with a written response that may include reimbursement for any pay deductions that were not appropriately made.

This complaint procedure is available in addition to any other complaint process that also may be available to employees.

SECRETARY'S REPORTS

The board secretary will report to the board each month about the receipts, disbursements and balances of the various funds. This report will be in written form and sent to the board with the agenda for the board meeting.

Legal Reference: Iowa Code §§ 279.8; 291.7.

Cross Reference: 206.3 Secretary [*or 206.3, Secretary-Treasurer*]  
210.1 Annual Meeting  
707 Fiscal Reports

Approved 6/21/21

Reviewed

Revised

TREASURER'S ANNUAL REPORT

At the annual meeting, the treasurer will give the annual report stating the amount held over, received, paid out, and on hand in the general and schoolhouse funds. This report is in written form and sent to the board with the agenda for the board meeting. The treasurer will also furnish the board with a sworn statement from each depository showing the balance then on deposit.

It is the responsibility of the treasurer to submit this report to the board annually.

Legal Reference: Iowa Code §§ 279.31, .33.

Cross Reference: 206.4 Treasurer [*or 206.3, Secretary-Treasurer*]  
210.1 Annual Meeting  
707 Fiscal Reports

Approved 6/21/21

Reviewed

Revised

PUBLICATION OF FINANCIAL REPORTS

Each month the schedule of bills allowed by the board is published in a newspaper designated as a newspaper for official publication. Annually, the total salaries paid to employees regularly employed by the school district will also be published in a newspaper designated as a newspaper for official publication.

It is the responsibility of the board secretary to publish these reports in a timely manner.

Legal Reference: Iowa Code §§ 279.35, .36; 618.

Cross Reference: 206.3 Secretary [*or Secretary-Treasurer*]

Approved 6/21/21

Reviewed

Revised

AUDIT

To review the funds and accounts of the school district, the board will employ an auditor to perform an annual audit of the financial affairs of the school district. The superintendent will use a request for proposal procedure in selecting an auditor. The administration will cooperate with the auditors.

Legal Reference: Iowa Code § 11.6

Cross Reference: 701 Financial Accounting System  
707 Fiscal Reports

Approved 6/21/21

Reviewed

Revised

## INTERNAL CONTROLS

The board expects all board members, employees, volunteers, consultants, vendors, contractors, students and other parties maintaining any relationship with the school district to act with integrity, due diligence, and in accordance with all laws in their duties involving the school district's resources. The board is entrusted with public dollars and no one connected with the school district should do anything to erode that trust.

Internal controls are used to help ensure the integrity of district financial and accounting information. Adherence to district established internal control procedures is the responsibility of all employees of the school district. The superintendent, business manager and board secretary shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, or fiscal irregularities within the school district subject to review and approval by the board. Administrators shall be alert for any indication of fraud, financial impropriety, or irregularity within the administrator's area of responsibility.

Any employee who suspects fraud, impropriety, or irregularity shall report their suspicions immediately to his/her immediate supervisor, or the superintendent. The superintendent shall have primary responsibility for any necessary investigations and shall coordinate investigative efforts with the board's legal counsel, auditing firm, the Auditor of State's office and other internal or external departments and agencies, including law enforcement officials, as the superintendent may deem appropriate.

Employees bringing forth a legitimate concern about a potential impropriety will not be retaliated against and those who do retaliate against such an employee will be subject to disciplinary action up to, and including, discharge.

In the event the concern or complaint involves the superintendent, the concern shall be brought to the attention of the board president or vice-president who shall be empowered to contact the board's legal counsel, Auditor of State's office, insurance agent, auditing firm, and any other agency to investigate the concern or complaint.

The superintendent or board president shall ensure the Auditor of State's office is notified of any suspected embezzlement, theft or other financial irregularity pursuant to Iowa law. The superintendent and/or board president in coordination with the Auditor of State's office, will determine whether to conduct a complete or partial audit. The superintendent is authorized to order a complete forensic audit if, in the superintendent's judgment, such an audit would be useful and beneficial to the school district. In the event there is an investigation, records will be maintained for use in the investigation. Individuals found to have altered or destroyed records will be subject to disciplinary action, up to and including termination.

Legal References: American Competitiveness and Corporate Accountability Act of 2002, Pub. L. No. 107-204.  
Iowa Code §§ 11, 279.8.

Cross References: 401.12 Employee Use of Cell Phones  
707.6 Audit Committee

## INTERNAL CONTROLS PROCEDURES

Fraud, financial improprieties, or fiscal irregularities include, but are not limited to:

- Forgery or unauthorized alteration of any document or account belonging to the district.
- Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
- Misappropriation of funds, securities, supplies, or other assets.
- Impropriety in the handling of money or reporting of financial transactions.
- Profiteering because of “insider” information of district information or activities.
- Disclosing confidential and/or proprietary information to outside parties.
- Accepting or seeking anything of material value, other than items used in the normal course of advertising, from contractors, vendors, or persons providing services to the district.
- Destroying, removing, or inappropriately using district records, furniture, fixtures, or equipment.
- Failing to provide financial records to authorized state or local entities.
- Failure to cooperate fully with any financial auditors, investigators or law enforcement.
- Any other dishonest or fraudulent act involving district monies or resources.
- Acting for purposes of personal gain, rather than in the best interest of the district.
- Providing false, inaccurate or misleading information to district administrators or the board of directors.

The superintendent shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential. The superintendent may engage qualified independent audit resources to assist in the investigation.

If an investigation substantiates the occurrence of a fraudulent activity, the superintendent, or board vice-president if the investigation centers on the superintendent, shall issue a report to the board and appropriate personnel. The final disposition of the matter and any decision to file or not file a criminal complaint or to refer the matter to the appropriate law enforcement and/or regulatory agency for independent investigation shall be made in consultation with district legal counsel. The results of the investigation shall not be disclosed to or discussed with anyone other than those individuals with a legitimate right to know until the results are made public.

## AUDIT COMMITTEE

The board recognizes that it is charged with raising tax revenues and related expenditures to maintain the educational program for the school district. Public funds are held in trust by the board to be spent appropriately on the educational program. To further ensure funds are spent appropriately, the board establishes an audit committee to assist the board on internal financial matters and with the annual audit.

The audit committee is comprised of two school board members.

The audit committee chair is selected by the board.

The major responsibilities of the audit committee are to:

- Act as a liaison between the board and the auditor during the audit process.
- Annually report to the board about the annual audit.
- Recommend internal changes that may need to be made to ensure appropriate internal controls are being implemented.

The audit committee will meet as directed by its chair. The audit committee is subject to the open meetings law.

Legal References: American Competitiveness and Corporate Accountability Act of 2002, Pub. L. No. 107-204.  
Iowa Code ch. 11, 279.8.

Cross References: 208 Ad Hoc Committees  
707.5 Internal Controls

Approved 6/21/21

Reviewed

Revised

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## CARE, MAINTENANCE AND DISPOSAL OF SCHOOL DISTRICT RECORDS

School district records are housed in the central administration office of the school district. It is the responsibility of the superintendent and board secretary to oversee the maintenance and accuracy of the records. The following records are kept and preserved according to the schedule below:

• Secretary's financial records	Permanently
• Treasurer's financial records	Permanently
• Open meeting minutes of the Board of Directors	Permanently
• Annual audit reports	Permanently
• Annual budget	Permanently
• Permanent record of individual pupil	Permanently
• School election results	Permanently
• Real property records (e.g., deeds, abstracts)	Permanently
• Records of payment of judgments against the school district	20 years
• Bonds and bond coupons	11 years after maturity, cancellation, transfer, redemption, and/or replacement
• Written contracts	10 years
• Cancelled warrants, check stubs, bank	5 years
• Statements, bills, invoices, and related record	
• Recordings and minutes of closed meetings	1 year
• Program grants	As determined by the grant
• Nonpayroll personnel records	10 years after leaving district
• Employment applications	2 years
• Payroll records	3 years
• School meal programs accounts/records	3 years after submission of the final claim for reimbursement

In the event that any federal or state agency requires a record be retained for a period of time longer than that listed above for audit purposes or otherwise, the record shall be retained beyond the listed period as long as is required for the resolution of the issue by the federal or state agency.

Employees' records are housed in the central administration office of the school district. The employees' records are maintained by the superintendent, the building administrator, the employee's immediate supervisor, and the board secretary.

An inventory of the furniture, equipment, and other nonconsumable items other than real property of the school district is conducted annually under the supervision of the superintendent. This report is filed with the board secretary.

The permanent and cumulative records of students currently enrolled in the school district are housed in the central administration office of the attendance center where the student attends. Permanent records shall be housed in a fire resistant safe or vault or electronically with a secure backup file. The building administrator is responsible for keeping these records current. Permanent records of students who have graduated or are no longer enrolled in the school district are housed in the *[insert location]* and will be retained permanently. These records will be maintained by the superintendent. Special education records shall be maintained in accordance with law.

The superintendent may digitize or otherwise electronically retain school district records and may destroy paper copies of the records. An electronic record which accurately reflects the information set forth in the paper record after it was first generated in its final form as an electronic record, and which remains accessible for later reference meets the same legal requirements for retention as the original paper record.

Legal Reference: 7 C.F.R. § 210.23(c).  
Iowa Code §§ 22.3; 22.7; 91A.6; 279.8; 291.6; 554D.114; 554D.119; 614.1(13).  
281 I.A.C. 12.3(4); 41.624.  
*City of Sioux City v. Greater Sioux City Press Club*, 421 N.W.2d 895 (Iowa 1988).  
*City of Dubuque v. Telegraph Herald, Inc.*, 297 N.W.2d 523 (Iowa 1980).

Cross Reference: 206.3 Secretary [*or Secretary/Treasurer*]  
215 Board of Directors' Records  
401.5 Employee Records  
506 Student Records  
901 Public Examination of School District Records

## INSURANCE PROGRAM

The board will maintain a comprehensive insurance program to provide adequate coverage against major types of risk, loss, or damage, as well as legal liability. The board will purchase insurance at replacement values, when possible, after reviewing the costs and availability of such insurance. The comprehensive insurance program is reviewed once every three years. Insurance will only be purchased through legally licensed Iowa insurance agents.

The school district will assume the risk of property damage, legal liability, and dishonesty in cases in which the exposure is so small or dispersed that a loss does not significantly affect the operation of the education program or financial condition of the school district.

Insurance of buildings, structures, or property in the open will not generally be purchased to cover loss exposures below \$1000 unless such insurance is required by statute or contract.

The board may retain a private organization for capital assets management services.

Administration of the insurance program, making recommendations for additional insurance coverage, placing the insurance coverage and loss prevention activities is the responsibility of the superintendent. The (*superintendent/capital assets manager*) is responsible for maintaining the capital assets management system, processing claims and maintaining loss records.

Legal Reference: Iowa Code §§ 20.9; 85.2; 279.12, .28; 285.5(6), .10(6); 296.7; 298A; 517A.1; 670.7.

Cross Reference: 205 Board Member Liability  
804 Safety Program

Approved 6/21/21

Reviewed

Revised

## SCHOOL NUTRITION PROGRAM

The school district will operate a school nutrition program in each attendance center. The school nutrition program will include meals through participation in the National School Lunch Program. Students may bring their lunches from home and purchase milk and other incidental items.

School nutrition program facilities are provided to serve students and employees when school is in session and during school-related activities. They may also be used under the supervision of the Food Service Director for food service to employee groups, parent-teacher meetings, civic organizations meeting for the purpose of better understanding the schools, and senior citizens in accordance with law and board policy.

The school nutrition program is operated on a nonprofit basis. The revenues of the school nutrition program will be used only for the operation or improvement of such programs. Supplies of the school nutrition program will only be used for the school nutrition program.

The board will set, and annually review, the prices for school nutrition programs. It is the responsibility of the superintendent to make a recommendation regarding the prices of the school nutrition programs, in accordance with federal and state law.

It is the responsibility of Food Service Director to administer the program and to cooperate with the superintendent and appropriate personnel for the proper functioning of the school nutrition program.

Legal Reference:       42 U.S.C. §§ 1751 *et seq.*.  
                              7 C.F.R. §§ 210 *et seq.*.  
                              Iowa Code ch. 283A.  
                              281 I.A.C. 58.

Cross Reference:      710.2 Free or Reduced Cost Meals Eligibility  
                              710.3 Vending Machines  
                              710.4 Meal Charge Policy  
                              905 Use of School District Facilities and Equipment

## FREE OR REDUCED PRICE MEALS ELIGIBILITY

Students enrolled and attending school in the school district who meet USDA eligibility guidelines will be provided the school nutrition program services at no cost or at a reduced price. The school district shall make reasonable efforts to prevent the overt identification of, students who are eligible for free and reduced price meals.

The district shall at least twice annually notify all families of the availability, eligibility criteria, and application procedures for free or reduced price meals in accordance with state and federal law.

It is the responsibility of the Food Service Director or the Food Service Secretary to determine the eligibility of students for free or reduced price school nutrition programs, in accordance with criteria established by state and federal law. If school personnel have knowledge of a student who is in need of free or reduced-price meals, school personnel shall contact the building principal

If a student owes money for five or more meals, the Food Service Director or the Food Service Secretary may contact the student's parent or guardian to provide information regarding the application for free or reduced-price meals. The school is encouraged to provide reimbursable meals to students who request reimbursable meals unless the students' parent or guardian has specifically provided written direction to the school to withhold a meal from the student.

Employees will be required to pay for meals consumed.

It is the responsibility of the superintendent to develop administrative regulations for implementing this policy.

Legal Reference: 42 U.S.C. §§ 1751 *et seq.*.  
7 C.F.R. §§ 210 *et seq.*.  
Iowa Code § 283A.  
281 I.A.C. 58.

Cross Reference: 710.1 School Nutrition Program  
710.3 Vending Machines  
710.4 Meal Charge Policy

## VENDING MACHINES

Food served or purchased by students during the school day and food served or purchased for other than special circumstances is approved by the superintendent. Vending machines in the school building are the responsibility of the building principal. Purchases from the vending machines, will reflect the guidelines in the Wellness policy 507.9.

It is the responsibility of the superintendent to develop administrative regulations for the use of vending machines and other sales of food to students.

Legal Reference: 42 U.S.C. §§ 1751 *et seq.*  
7 C.F.R. Pt. 210 *et seq.*  
Iowa Code ch. 283A  
281 I.A.C. 58.

Cross Reference: 504.5 Student Fund Raising  
710 School Food Services

## MEAL CHARGES

In accordance with state and federal law, the Maquoketa Valley Community School District adopts the following policy to ensure school district employees, families, and students have a shared understanding of expectations regarding meal charges. The policy seeks to allow students to receive the nutrition they need to stay focused during the school day, prevent the overt identification of students with insufficient funds to pay for school meals, and maintain the financial integrity of the nonprofit school nutrition program.

### **Payment of Meals**

Students have use of a meal account. Students or their families can use the online payment system to deposit monies into their meal account or can bring a check or cash to the building secretary. The building secretary will provide a receipt and then deposit this money into the students meal or family account.

Students who qualify for free meals shall never be denied a reimbursable meal, even if they have accrued a negative balance from previous purchases. Schools are encouraged to provide a reimbursable meal to students with outstanding meal charge debt. If an alternate meal is provided, the meal must be the same meal presented in the same manner to any student requesting an alternate meal.

### **Negative Account Balances**

The school district will make reasonable efforts to notify families when meal account balances are low. Additionally, the school district will make reasonable efforts to collect unpaid meal charges classified as delinquent debt. The school district will coordinate communications with the student's parent or guardian to resolve the matter of unpaid charges. Parents or guardians will be notified of an outstanding negative balance once the student owes five meals or more. Parents or guardians will be notified when a negative balances of more than \$5.00, not paid prior to end of the month, will be turned over to the superintendent or superintendent's designee for collection. Options may include: collection agencies, small claims court, or any other legal method permitted by law.

### **Unpaid Student Meals Account**

The district will establish an unpaid student meals account in a school nutrition fund. Funds from private sources and funds from the district flexibility account may be deposited into the unpaid school meals account in accordance with law. Funds deposited into this account shall be used only to pay individual student meal debt.

### **Communication of the Policy**

The policy and supporting information regarding meal charges shall be provided in writing to:

- All households at or before the start of each school year;
- Students and families who transfer into the district, at time of transfer; and
- All staff responsible for enforcing any aspect of the policy.

Records of how and when the policy and supporting information was communicated to households and staff will be retained.

It is the responsibility of the superintendent to develop an administrative regulations for implementing this policy.

Legal Reference: 42 U.S.C. §§ 1751 et seq.  
7 C.F.R. §§ 210 et seq.  
U.S. DEP'T OF AGRIC., SP 46-2016, UNPAID MEAL CHARGES: LOCAL MEAL CHARGE POLICIES (2016).  
U.S. DEP'T OF AGRIC., SP 47-2016, UNPAID MEAL CHARGES: CLARIFICATION ON COLLECTION OF DELINQUENT MEAL PAYMENTS (2016).  
U.S. DEP'T OF AGRIC., SP 57-2016, UNPAID MEAL CHARGES: GUIDANCE AND Q&A (2016).  
Iowa Code 283A.  
281 I.A.C. 58.

Cross Reference: 710.1 School Food Program  
710.2 Free or Reduced Cost Meals Eligibility  
710.3 Vending Machine

## STUDENT SCHOOL TRANSPORTATION ELIGIBILITY

Elementary and middle school students living more than two miles from their designated school attendance centers and high school students living more than three miles from their designated attendance centers are entitled to transportation to and from their attendance center at the expense of the school district.

Transportation of students who require special education services will generally be provided as for other students, when appropriate. Specialized transportation of a student to and from a special education instructional service is a function of that service and, therefore, an appropriate expenditure of special education instructional funds generated through the weighting plan.

Transportation of a student to and from a special education support service is a function of that service, and is specified in the individualized education program (IEP) or the individualized family service plan (IFSP). When the IEP or IFSP team determines that unique transportation arrangements are required and the arrangements are specified in the IEP or IFSP, the school district will provide one or more of the following transportation arrangements for instructional services and the AEA for support services:

- Transportation from the student's residence to the location of the special education and back to the student's residence, or child care placement for students below the age of six.
- Special assistance or adaptations in getting the student to and from and on and off the vehicle, en route to and from the special education.
- Reimbursement of the actual costs of transportation when by mutual agreement the parents provide transportation for the student to and from the special education.

The school district is not required to provide reimbursement to parents who elect to provide transportation in lieu of agency-provided transportation.

Distance to school or to a bus route shall be measured on the public highway only and over the most passable and safest route as determined by the Board of Directors, starting in the roadway opposite the private entrance to the residence of the pupil and ending in the roadway opposite the entrance to the school grounds or designated point on his/her route.

A student may be required, at the board's discretion, to meet a school vehicle without reimbursement up to three-fourths of a mile. The board may require the parent to transport their children up to two miles to connect with school bus vehicles at the expense of the school district when conditions deem it advisable. It is within the discretion of the board to determine such conditions. Parents of students who live where transportation by bus is impracticable or unavailable may be required to furnish transportation to and from the designated attendance center at the expense of the school district. Parents, who transport their children at the expense of the school district, are reimbursed at the rate per mile set by the state.

Transportation arrangements made by agreement with a neighboring school district will follow the terms of the agreement. Students, who choose to attend a school in a school district other than their resident school district, will provide transportation to and from the school at their own expense.

***NOTE: This policy reflects the legal requirements of transportation. Boards may expand transportation eligibility and, if so, the school district's practice should be reflected in board policy.***

Legal Reference: 20 U.S.C. §§ 1401, 1701 *et seq.*  
34 C.F.R. Pt. 300 *et seq.*  
Iowa Code §§ 256B.4; 285; 321.  
281 I.A.C. 41.412.

Cross Reference: 501.16 Homeless Children and Youth  
507.8 Student Special Health Services  
603.3 Special Education  
711 Transportation

## STUDENT CONDUCT ON SCHOOL TRANSPORTATION

Students utilizing school transportation will conduct themselves in an orderly manner fitting to their age level and maturity with mutual respect and consideration for the rights of the school vehicle driver and the other passengers. Students who fail to behave in an orderly manner will be subject to disciplinary measures.

The driver will have the authority to maintain order on the school vehicle. It is the responsibility of the driver to report misconduct to the building administrator.

The board supports the use of recording devices on school buses used for transportation to and from school as well as for field trips, curricular or extracurricular events. The recording devices will be used to monitor student behavior and may be used as evidence in a student disciplinary proceeding. The recordings are student records subject to school district confidentiality, board policy and administrative regulations.

The building principal will have the authority to suspend transportation privileges of the student or impose other appropriate discipline.

It is the responsibility of the superintendent, in conjunction with the building principal, to develop administrative regulations regarding student conduct and discipline when utilizing school district transportation.

Legal Reference: Iowa Code §§ 279.8; 285; 321.

Cross Reference: 503 Student Discipline  
506 Student Records  
804.6 Use of Recording Devices on School Property

## STUDENT CONDUCT ON SCHOOL TRANSPORTATION REGULATION

All persons riding in school district vehicles will adhere to the following rules. The driver, sponsor or chaperones are to follow the school bus discipline procedure for student violations of this policy. Recording devices may be in operation on the school buses.

1. Bus riders will be at the designated loading point before the bus arrival time.
2. Bus riders will wait until the bus comes to a complete stop before attempting to enter.
3. Riders must not extend arms or heads out of the windows at any time.
4. Aisles must be kept cleared at all times.
5. All bus riders will load and unload through the right front door. The emergency door is for emergencies only.
6. A bus rider will depart from the bus at the designated point unless written permission to get off at a different location is given to the driver.
7. A rider may be assigned a seat by the driver.
8. Riders who damage seats or other equipment will reimburse the district for the cost of the repair or replacement.
9. Riders are not permitted to leave their seats while the vehicle is in motion.
10. Waste containers are provided on all buses for bus riders' use.
11. Permission to open windows must be obtained from the driver.
12. Classroom conduct is to be observed by students while riding the bus except for ordinary conversation.
13. The driver is in charge of the students and the vehicle, and the driver is to be obeyed promptly and cheerfully.
14. Students will assist in looking after the safety and comfort of younger students.
15. A bus rider who must cross the roadway to board or depart from the bus will pass in front of the bus (no closer than 10 feet), look in both directions and proceed to cross the road or highway only on signal from the driver.
16. Students will not throw objects about the vehicle nor out through the windows.
17. Shooting paper wads, squirt guns or other material in the vehicle is not permitted.
18. Students will keep feet off the seats.
19. Roughhousing in the vehicle is prohibited.
20. Students will refrain from crowding or pushing.
21. The use or possession of alcohol, tobacco or look-alike substances is prohibited in the vehicle.
22. The Good Conduct Rule is in effect.

## USE OF RECORDING DEVICES ON SCHOOL BUSES REGULATION

The board supports the use of recording devices on school buses as a means to monitor and maintain a safe environment for students and employees. The recording devices may be used on buses used for transportation to and from school, field trips, curricular events and extracurricular events. The contents of the recordings may be used as evidence in a student disciplinary proceeding.

### Student Records

The content of the recordings is a student record subject to board policy and administrative regulations regarding confidential student records. Only those persons with a legitimate educational purpose may view the recordings. In most instances, those individuals with a legitimate educational purpose may be the superintendent, building principal, transportation director, bus driver and special education staffing team. A parent may view the recordings without consent from any student or parent of a minor student also shown in the recording if the other students are bystanders. But if there is an altercation between multiple students, then all parents must give consent in order for the recordings to be viewed by parents.

A recording during a school-sponsored trip, such as an athletic event, may also be accessible to the sponsor or coach of the activity. If the content of the recording becomes the subject of a student disciplinary proceeding, it will be treated like other evidence in the proceeding.

### Notice

The school district will annually provide the following notice to students and parents:

The Maquoketa Valley Community School District Board of Directors has authorized the use of recording devices on school district buses. The recording devices will be used to monitor student behavior to maintain order on the school buses to promote and maintain a safe environment. Students and parents are hereby notified that the content of the recording may be used in a student disciplinary proceeding. The content of the recording are confidential student records and will be retained with other student records. Recordings will only be retained if necessary for use in a student disciplinary proceeding or other matter as determined necessary by the administration. Parents may request to view the recording of their child if the recordings are used in a disciplinary proceeding involving their child.

The following notice will also be placed on all school buses equipped with recording devices:

This bus is equipped with a recording /audio monitoring system.

### Review of Recording Devices

The school district will review the recordings (choose one of the following):

\_\_\_ When necessary as a result of an incident reported by a bus driver or student. The recordings may be re-circulated for erasure after 7 days.

Viewing of the recordings is limited to the individuals having a legitimate educational purpose. A written log will be kept of those individuals viewing the recordings stating the time, name of individual viewing and the date the recordings was viewed.

Recording Monitoring System

Recording devices will be (choose one of the following):

\_\_\_ Used on only a select number of school district buses.

Determination of how recording devices will be used and which school buses will be equipped with recording equipment will be made by the superintendent in consultation with the building principals and transportation director.

Student Conduct

Students are prohibited from tampering with the recording devices on the school buses. Students found in violation of this regulation will be disciplined in accordance with the school district discipline policy and Good Conduct Rule and will reimburse the school district for any repairs or replacement necessary as a result of the tampering.

## STUDENT TRANSPORTATION FOR EXTRACURRICULAR ACTIVITIES

The board in its discretion may provide school district transportation for extracurricular activities including, but not limited to, transporting student participants and other students to and from extracurricular events.

Students participating or attending extracurricular events, other than those held at the school district facilities, may be transported to the extracurricular event by school district transportation vehicles or by another means approved by the superintendent.

Students, who are provided transportation in school district transportation vehicles for extracurricular events, will ride both to and from the event in the school vehicle unless arrangements have been made with the building principal prior to the event. A student's parent may personally appear and request to transport the student home from a school-sponsored event in which the student traveled to the event on a school district transportation vehicle.

It is the responsibility of the superintendent to make a recommendation to the board annually as to whether the school district will provide the transportation authorized in this policy. In making the recommendation to the board, the superintendent will consider the financial condition of the school district, the number of students who would qualify for such transportation, and other factors the board or superintendent deem relevant.

Legal Reference: Iowa Code §§ 256B.4; 285.1-4; 321.  
281 I.A.C. 41.412.

Cross Reference: 504 Student Activities  
711 Transportation

SUMMER SCHOOL PROGRAM TRANSPORTATION SERVICE

The school district may use school vehicles for transportation to and from summer extracurricular activities. The superintendent will make a recommendation to the board annually regarding their use.

Transportation to and from the student's attendance center for summer school instructional programs is within the discretion of the board. It is the responsibility of the superintendent to make a recommendation regarding transportation of students in summer school instructional programs at the expense of the school district. In making the recommendation to the board, the superintendent will consider the financial condition of the school district, the number of students involved in summer school programs, and other factors deemed relevant by the board or the superintendent.

Legal Reference: Iowa Code § 285.10  
281 I.A.C. 43.10, 412

Cross Reference: 603.2 Summer School Instruction  
711 Transportation

## TRANSPORTATION OF NONRESIDENT AND NONPUBLIC SCHOOL STUDENTS

The board has sole discretion to determine the method to be utilized for transporting nonresident and nonpublic students. Nonresident students paying tuition may be, and resident students attending a nonpublic school accredited by the State Department of Education, will be transported on an established public school vehicle route as long as such transportation does not interfere with resident public students' transportation. Nonresident and nonpublic school students will obtain the permission of the superintendent prior to being transported by the school district.

Parents of resident students who provide transportation for their children attending a nonpublic school accredited by the Iowa Department of Education will be reimbursed at the established state rate. This reimbursement is paid only if the school district receives the funds from the state. If less than the amount of funds necessary to fully reimburse parents of the nonpublic students is received by the school district, the funds will be prorated.

The charge to the nonresident students is determined based on the students' pro rata share of the actual costs for transportation. The parents of these students are billed for the student's share of the actual costs of transportation. The billing is according to the schedule developed by the superintendent. It is the responsibility of the superintendent to determine the amount to be charged and report it to the board secretary for billing.

Continued transportation of nonresident and nonpublic school students on a public school vehicle route will be subject to resident public school students' transportation needs. The superintendent will make a recommendation annually to the board regarding the method to be used. In making a recommendation to the board, the superintendent will consider the number of students to be transported, the capacity of the school vehicles, the financial condition of the school district and other factors deemed relevant by the board or the superintendent.

Nonresident and nonpublic school students are subject to the same conduct regulations as resident public students as prescribed by board policy, and to other policies, rules, or regulations developed by the school district regarding transportation of students by the school district.

Legal Reference: Iowa Code §§ 285.1-.2, .10, .16.

Cross Reference: 711 Transportation

Approved 6/21/21

Reviewed

Revised

## TRANSPORTATION OF NONSCHOOL GROUPS

Only in unusual circumstances will the board make school district transportation vehicles available to local nonprofit entities which promote cultural, educational, civic, community, or recreational activities for transporting to and from nonschool-sponsored activities in the state.

In the event school district transportation vehicles are made available to local nonprofit entities, it is the responsibility of the superintendent to develop administrative regulations for application for, use of, and payment for using the school district transportation vehicles.

***NOTE: There are two options for this policy. The second one is more flexible than the first option.***

Legal Reference: Iowa Code §§ 285.1(21), .10(9), (10).  
281 I.A.C. 41.412; 43.10.

Cross Reference: 711 Transportation  
900 Principles and Objectives for Community Relations

Approved

Reviewed

Revised

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## SCHOOL BUS SAFETY INSTRUCTION

The school district will conduct school bus safe riding practices instruction and emergency safety drills at least twice during the school year, once in the fall and once in the spring, for students who utilize school district transportation. Documentation of these safety drills will be maintained by the district for five years and made available upon request.

Each school bus vehicle will have, in addition to the regular emergency safety drill, a plan for helping those students who require special assistance to safety during an emergency. This will include, but not be limited to, students with disabilities.

Employees are responsible for instructing the proper techniques to be followed during an emergency, as well as safe riding practices. It is the responsibility of the superintendent to develop administrative regulations regarding this policy.

Legal Reference: Iowa Code §§ 279.8; 321.  
281 I.A.C. 41.412; 43.40.

Cross Reference: 503 Student Discipline  
507 Student Health and Well-Being  
804.2 Warning Systems and Emergency Plans

## TRANSPORTATION IN INCLEMENT WEATHER

School district buses will not operate when weather conditions due to fog, rain, snow or other natural elements make it unsafe to do so. Because weather conditions may vary around the school district and may change quickly, the best judgment possible will be used with the information available.

The final judgment as to when conditions are unsafe to operate will be made by the superintendent. The superintendent will be assisted by the actual "on location" reports of the drivers.

Several drivers each year will be specially designated to report weather and road conditions by bus radio when requested to do so. Other employees and students will be notified by commercial radio when school is cancelled or temporarily delayed. When school is cancelled because of weather anywhere in the school district, all schools will be closed.

When weather conditions deteriorate during the day after school has begun, cancellation notices will be announced by commercial radio. Students will be returned to their regular drop-off sites unless weather conditions prevent it. In that case, students will be kept at or returned to school until they are picked up by the parents.

Legal Reference: Iowa Code § 279.8

Cross Reference: 601.2 School Day

Approved 6/21/21

Reviewed

Revised

DISTRICT VEHICLE IDLING

The board recognizes that it has a role in reducing environmental pollutants and in assisting students and others be free from pollutants that may impact their respiratory health. Unnecessary vehicle idling emits pollutants and wastes fuel. The board directs the superintendent, in conjunction with the Director of Transportation, to work on administrative regulations to implement this policy and reduce school vehicle idling time.

Legal References: Iowa Code §279.8

Cross References: 403 Employee Health and Well-Being  
507 Student Health and Well-Being  
711 Transportation

SCHOOL BUS PASSENGER RESTRAINTS

The district shall utilize three-point lap-shoulder belts on district school buses as required by state law. All three-point lap-shoulder belts available on district buses will be used by passengers when the vehicle is in any non-stationary gear.

Legal Reference: 281 I.A.C. 43.10(6)

Cross Reference: 711.7 School Bus Safety Instruction

Approved 6/21/21

Reviewed

Revised

## TECHNOLOGY AND DATA SECURITY

The Maquoketa Valley Community School District recognizes the increasingly vital role technology plays in society. It is the goal of the district to embrace technology as a resource to further educate our students, and better prepare students for the future. It is the intent of the district to support secure data systems in the district, including security for all personally identifiable information (PII) that is stored digitally on district-maintained devices, computers and networks. Technology also has incredible potential to support increased efficiency, communication and growth through collaboration among administration, students, staff, employees and volunteers.

However, with this growth opportunity comes increased potential for valuable sensitive data to become public. The district takes seriously its responsibility to protect private data. The purpose of this policy is to ensure the secure use and handling of all district data, computer systems, devices and technology equipment by district students, employees, and data users.

The district supports the use of third-party vendors to perform necessary education functions for the district. Utilizing third party vendors to outsource functions the district would traditionally perform provides a cost-effective means to deliver high quality educational opportunities to all students. However, it is paramount that third party vendors with access to sensitive data and PII of district students, employees and data users be held to the highest standards of data privacy and security.

The selection of third-party vendors shall be in accordance with appropriate law and policy. Third-party vendors with access to PII shall meet all qualifications to be designated as a School Official under the Family Educational Rights and Privacy Act (FERPA). The board shall ensure that any approved contract with a third-party vendor will require that the vendor comply with all applicable state and federal laws, rules, or regulations, regarding the privacy of PII.

It is the responsibility of the superintendent to develop procedures for the district to enhance the security of data and the learning environment. The procedures shall address, but not be limited to, the following topics:

**Access Control** –Access control governs who may access what information within the district and the way users may access the information. Increased access to secure networks and data will inevitably increase the risk of security compromise to those networks and data. It is the responsibility of the superintendent to develop procedures for determining which individuals will have access to district networks, devices and data; and to what extent such access will be granted. System and network access will be granted based upon a need-to-have requirement, with the least amount of access to data and programs by the user as possible.

**Security Management** –Security management addresses protections and security measures used to protect digital data. These include measures related to audits and remediation, as well as security plans for responding to, reporting and remediating security incidents. It is the responsibility of the superintendent to develop procedures to govern the secure creation, storage and transmission of any sensitive data and personally identifiable information (PII). The superintendent or designee shall implement network perimeter controls to regulate data moving between trusted internal resources to external entities.

**Technology and Data Use Training** –Technology and data use training addresses acceptable use best practices to safeguard data for students, employees and staff. It is the responsibility of the superintendent to develop procedures for creating and administering a training program on proper data and technology use. The training shall address the proper use and security of all district owned or controlled technology, devices, media and data. Training should be administered to all district data users. The training program should be updated and presented to the school board for approval on an annual basis.

In furtherance of this policy, the superintendent or designee shall be responsible for overseeing district-wide data and technology security, to include development of standards and procedures and adherence to the administrative procedures defined in this document.

Legal References:       20 U.S.C. §1232g; 34 C.F.R. Part 99  
                              47 U.S.C. §254  
                              20 U.S.C. §6777  
                              Iowa Code §§ 279.70; 715C

Cross References:     401.13 Staff Technology Use/Social Networking  
                              506.1 Student Records  
                              605.4 Technology in the Classroom

## SECURITY REQUIREMENTS OF THIRD-PARTY VENDORS REGULATION

The District must ensure proper safeguards and procedures exist to use third-party vendors as a resource to further educational functions. The following procedures shall be used to investigate and contract only with qualifying third-party vendors for the performance of necessary educational functions of the district; and to ensure that third-party vendors meet the required standards to be designated under the Family Educational Rights and Privacy Act (FERPA) as a School Official to handle personally identifiable information (PII) within the district.

Third-party vendors may be designated by the district as a School Official when the vendor:

1. Performs an institutional service or function for which the school or district would otherwise use its own employees;
2. Has met the criteria set forth in the district's annual notification of FERPA rights for being a school official with a legitimate educational interest in the education records;
3. Is under the direct control of the district regarding the use and maintenance of education records; and
4. Uses education records only for authorized purposes and may not re-disclose PII from education records to other parties (unless the provider has specific authorization from the district to do so and is otherwise permitted by FERPA).

Third party vendor data use requirements shall include, but not be limited to the following:

1. The vendor implement and maintain security procedures and practices consistent with current industry standards; and
2. The vendor be prohibited from collecting and using PII for:
  - a. Targeted advertising;
  - b. Amassing a profile about a student or students except in furtherance of educational purposes;
  - c. Selling or renting PII for any purpose other than those expressly permitted by law; and
  - d. Disclosing PII for any purposes other than those expressly permitted by law.