

OYSTER RIVER COOPERATIVE SCHOOL DISTRICT

Policy Committee Meeting

December 11, 2019 3:30 – 5:00

Central Office

Agenda

I. Call to Order

- D3 – Time-Effort Reporting/Oversight
- DB – Annual District Budget *
- DBD – Budget Planning*
- DBI – Budget Implementation*
- DBJ – Transfer of Appropriation*
- DFA – Investment*
- DFE – Gate Receipts and Admission*
- DH – Bonded Employees*
- DJ – Purchasing*
- DJC – Petty Cash Accounts*
- DJGA – Sales Calls and Demonstrations*
- DM – Cash in School Buildings*

*All of these policies are for annual review.

Next Meeting: January 8, 2020

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TIME-EFFORT REPORTING/OVERSIGHT

The Superintendent will establish sufficient oversight of the operations of federally supported activities to assure compliance with applicable federal requirements and to ensure that program objectives established by the awarding agency are being achieved. The District will submit all reports as required by federal or state authorities.

As a recipient of Federal funds, the Oyster River Cooperative School District shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Section 200.430 of the Code of Federal Regulations requires certification of effort to document salary expenses charged directly or indirectly against Federally-sponsored projects. This process is intended to verify the compensation for employment services, including salaries and wages, is allocable and properly expended, and that any variances from the budget are reconciled.

A. Compensation:

Compensation for employment services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits, which are addressed in 2 CFR 200.431 Compensation – fringe benefits. Costs of compensation are allowable to the extent that they satisfy the specific requirements of these regulations, and that the total compensation for individual employees:

1. is reasonable for the services rendered, conforms to the District’s established written policy, and is consistently applied to both Federal and non-Federal activities; and
2. follows an appointment made in accordance with the District’s written policies and meets the requirements of Federal statute, where applicable.

B. Time and Effort Reports:

Time and effort reports shall:

1. be supported by a system of internal controls which provide reasonable assurance that the charge are accurate, allowable, and properly allocated;
2. be incorporated into the official records of the District;
3. reasonably reflect the total activity for which the employee is compensated by the District, not exceeding 100% of the compensated activities;
4. encompass both Federally assisted and other activities compensated by the District on an integrated basis;
5. comply with the District’s established accounting policies and practices;
6. support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one (1) Federal award, a Federal award and non-Federal award, an indirect cost activity and a direct cost activity, two (2) or more indirect activities which are allocated using different allocation bases, or an unallowable activity and a direct or indirect cost activity.

The District will also follow any time and effort requirements imposed by NHDOE or other pass-through entity as appropriate to the extent that they are more restrictive than the Federal requirements. The Superintendent or designee is responsible for the collection and retention of employee time and effort reports. Individually reported data will be made available only to authorized auditors or as required by law.

Cross Reference:

- D1 – Allowable Use of Funds and Adherence to Uniform Grant Guidance
- D2 – Procurement
- DA – Fiscal & Federal Monitoring Management

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DB
First Read School Board: May 15, 2013 Second Read/Adoption School Board: June 5, 2013 <u>Policy Committee Review: December 11, 2019</u>	Page 1 of 1 Category: Recommended

ANNUAL DISTRICT BUDGET

One of the primary responsibilities of the Oyster River Cooperative School Board is to secure adequate funds to carry out program of studies.

The Superintendent will be responsible for preparing, and presenting to the Board for adoption, the annual school budget. The Board expects the Superintendent to work closely with the principals and other administrators to assess the needs of the schools. The principals will confer with appropriate staff in getting budgetary requests and information on requirements.

The adopted annual school budget is the financial outline of the District's educational program; it is the legal basis for the establishment of tax rates. The annual school budget process is an important function of District operations and should serve as a means to improve communications within the school organization and with the residents of the community.

Legal References:

- RSA 32:4, Preparation of Budgets: Estimate of Expenditures and Revenues
- RSA 32:5, Budget Preparation
- RSA 197:5-a, School meetings and Officers: Budget

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DBD
Date of Adoption: June 22, 1988 First Read School Board: May 15, 2013 Second Read/Adoption School Board: June 5, 2013 <u>Policy Committee Review: December 11, 2019</u>	Page 1 of 1

BUDGET PLANNING

The Oyster River Cooperative School Board will adopt ~~by September 1 of each year~~ its budget goals and objectives ~~will that~~ align with the adopted strategic plan for the following year. The Board shall direct the superintendent to establish procedures for the involvement of staff in the development of a budget proposal which addresses these goals and objectives. This proposal should include an assessment of existing programs and an examination of alternative program possibilities.

The budget proposal must be within the parameters of board policy and the adopted strategic plan and include provisions for:

1. Programs to meet the needs of the student body.
2. Staffing arrangements adequate for adopted programs.
3. Maintenance of the district's equipment and facilities.
4. Efficiency and economy.

Upon receipt of the superintendent's recommendation the Board will follow all legal statutory requirements as required by law. s

Legal Reference:

RSA 32:4, Preparation of Budgets: Estimate of Expenditures and Revenues

RSA 32:5, Budget Preparation

RSA 197:5-a, School Meetings and Officers: Budget

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DBI
Date of Adoption: June 22, 1988 Previously DBJ Code Change-Adopted School Board: May 2, 2012 School Board First Read: May 15, 2013 Second Read/Adoption School Board: June 6, 2013 Policy Committee Review: December 11, 2019	Page 1 of 1 Category: Recommended

BUDGET IMPLEMENTATION

The Oyster River Cooperative district budget serves to direct and control expenditures. Overall responsibility for this control rests with the superintendent who will establish the procedures for budget control and reporting throughout the district.

The school district treasurer pays invoices on the order of the School Board (RSA 197-23a). The board's approval of expenditures is communicated to the treasurer by approved and authenticated payment manifests.

~~Cross Reference: BDB-R Job Description – School District Treasurer~~

Legal Reference: RSA 32:10, Transfer of Appropriations
NH Code of Administrative Rules Section Ed. 302:02 (e) (j) (o) Substantive Duties of the Superintendent

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DBJ
First Read School Board: May 15, 2013 Second Read/Adoption School Board: June 5, 2013 Policy Committee Review: December 11, 2019	Page 1 of 1 Category: Optional

TRANSFER OF APPROPRIATION

In the event it becomes necessary to expend an amount greater than what was appropriated for a specific purpose, the Oyster River Cooperative School Board is authorized to transfer funds from an unexpended balance of one appropriation to a different appropriation that is in deficit. All transfers of appropriations will be made consistent with the provisions of RSA 32:10.

In no circumstance shall the total amount spent exceed the total amount appropriated.

Legal References:

RSA 32:10- Transfer of Appropriations
RSA 282-A:71, III - Unemployment Compensation

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DFA
DRAFT to Policy Committee: May 9, 2011 Date to School Board for First Read: May 25, 2011 School Board Second Read/Adoption: June 15, 2011 Reviewed: May 2013 Policy Committee Review: December 11, 2019	Page 1 of 1

INVESTMENT

The Oyster River Cooperative School Board authorizes the School District Treasurer, working in conjunction with the Superintendent and his/her designee and pursuant to RSA 197:23-a, to invest the funds of the District subject to the following objectives and standards of care.

OBJECTIVES

The three objectives of investment activities shall be safety, liquidity, and yield.

1. Safety. Safety of principal is the foremost objective in this policy. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital by mitigating credit and interest rate risk. This will be accomplished by limiting the type of the investments and institutions to those stipulated by statute and fully covered by FDIC insurance or collateral approved pursuant to applicable law.
2. Liquidity. Liquidity of the investment portfolio shall remain sufficient to meet all operating requirements that may be reasonably anticipated.
3. Yield. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is less significant than compared to the safety and liquidity objectives described above.

STANDARDS OF CARE

1. Prudence. The standard of prudence to be used by the District Treasurer and Superintendent, or his/her designee involved in the investment process, shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. They are directed to use the Government Finance Officers Association Recommended Practices and Policy Statements Related to Cash Management as a guide to the prudent investment of public funds.
2. Ethics and conflicts of interest. The School District Treasurer and Superintendent, or his/her designee involved in the investment process, shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Aforementioned employees and Investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial institutions with which they conduct business. They shall also disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall subordinate their personal investment transactions to those of the School District, particularly with regard to the timing of purchases and sales.
3. Internal Controls. The District Treasurer and Superintendent or his/her designee shall establish a system of internal controls which shall be documented in writing. The internal controls shall be reviewed periodically by the School Board and an independent auditor.

The investment of funds will be left to the discretion of the School District Treasurer and Superintendent or his/her designees without prior approval of the Board.

The Board will periodically review the investment policy.

Legal References:

- RSA 197:23-a, Treasurer's Duties
- RSA 383:22, Public Deposit Investment Pool

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DFE
Date of Adoption: June 22, 1988 First Read School Board: May 15, 2013 Second Read/Adoption: June 5, 2013 <u>Policy Committee Review: December 11, 2019</u>	Page 1 of 1

GATE RECEIPTS AND ADMISSIONS

Admissions receipts of Oyster River Cooperative school events shall be adequately controlled. The principal is responsible for the administration and supervision of all phases of school events for which an admission is charged.

Adequate records shall be maintained by the principal to provide chronological and accounting data for subsequent review and analysis.

Cross Reference:

DFE-R: Gate Receipts and Admissions Procedure (When written)

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DH Category: Recommended
School Board First Read: June 5, 2013 School Board Second Read/Adoption: June 19, 2013 <u>Policy Committee Review: December 11, 2019</u>	Page 1 of 1

BONDED EMPLOYEES

State law requires that the Treasurer and Assistant Treasurer be bonded. The District will arrange a Public Officials Bond to cover the Treasurer and each Assistant Treasurer, if any, in the amount of \$100,000. It is the practice that any employee who administers student activity money shall be bonded.

Any employee who administers funds for the District will be bonded appropriately. The District will arrange a Blanket Position Bond, including a Faithful Performance endorsement, in the amount of \$100,000 on all employees who administer funds for the District.

Legal Reference:

RSA 197:22, Treasurer's Bond

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DJ Category: Recommended
School Board First Read: June 5, 2013 School Board Second Read/Adoption: June 19, 2013 Policy Committee Review: December 11, 2019	Page 1 of 1

PURCHASING

The Oyster River Cooperative School District's acquisition of supplies, equipment, and services will be centralized in the business office, which functions under the supervision of the Superintendent, and through whose office all purchasing transactions are conducted.

The Board assigns the Superintendent the responsibility for the quality and quantity of purchases made. The prime guidelines governing this responsibility are that all purchases fall within the framework of budgetary limitations and that they be consistent with the approved educational goals and programs of the District.

Except as noted in DJ-R, purchases over \$25,000 require formal prior approval on the Board.

The Superintendent and Business Administrator will be responsible for the final approval of all purchases. The Business Administrator shall be responsible for all phases of purchasing in accordance with Board Policy; for requisitions, current order purchasing, writing of specifications for bids, deliveries, storage, and other tasks related to the purchases, acceptance and distribution of supplies.

Legal Reference:

RSA 194-C:4 II (a), Superintendent Services
NH Code of Administrative Rules Section 303.01 (b), Substantive Duties of School Boards

Cross Reference:

DJ-R - Purchasing Requirements Procedure
DJ-R1 - Manifest Procedure
CHD - Administration in Policy

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DJC Category: Recommended
School Board First Read: June 5, 2013 Previously DJB School Board Second Read/Adoption: June 19, 2013 Review Policy Committee: July 9, 2014 – No Change <u>Policy Committee Review: December 11, 2019</u>	Page 1 of 1

PETTY CASH ACCOUNTS

A petty cash fund will be established for all Oyster River Cooperative school buildings within the District. Such funds shall be for the purchase of minor items and/or provide immediate payment for minor services.

The accounting for petty cash funds shall be on a monthly basis. The accounting report shall be provided to the District Business Administrator. The Superintendent or his/her designee shall establish the necessary controls for accounting and reimbursement of the funds. No single purchase/reimbursement shall exceed \$100.00.

Purchases/reimbursements in excess of \$100.00 shall require a purchase order. In cases of emergencies, the Building Principal, with prior approval of the Business Administrator, may exceed the established single purchase/reimbursement limit.

Additional administrative regulations/procedures governing petty cash funds are established in Appendix DJC-R.

Cross Reference:

DJC-R – Petty Cash Accounts Procedure

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DJGA
Date of Adoption: June 22, 1988 Reviewed Policy Committee: May 2013 Policy Committee Review: December 11, 2019	Page 1 of 1

SALES CALLS AND DEMONSTRATIONS

Sales representatives are not permitted to call on Oyster River Cooperative teachers or other school staff members without authorization from the school administration.

School principals may give permission to sales representatives of educational products to see members of the school staff at times that will not interfere with the educational program.

OYSTER RIVER COOPERATIVE SCHOOL BOARD	Policy Code: DM
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CASH IN SCHOOL BUILDINGS

Monies collected by Oyster River Cooperative School District school employees and by student treasurers shall be handled with good and prudent business procedures. All monies collected shall be receipted, accounted for, and directed without delay to the District bank.

In no case shall monies be left overnight in schools, except in safes provided for safekeeping of valuables, and even then, not to exceed more than a few dollars. All schools shall provide for making bank deposits after regular banking hours in order to avoid leaving money in school overnight.

Insurance - The School Board shall procure and maintain fidelity bonds in reasonable amounts, in order to protect against the loss of money, securities, and checks by actual destruction, disappearance, or wrongful abstraction from within all premises and also while off any premises. Such coverage will include a commercial blanket bond covering employee dishonesty, and may include a comprehensive dishonesty, disappearance and destruction bond, with optional coverage depending on the exposures at various locations.