

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: FISCAL OBJECTIVES

ADOPTED: March 20, 2006

REVISED:

| 601. FISCAL OBJECTIVES | |
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| 1. Purpose | The Board recognizes its responsibility to District taxpayers to ensure that public monies expended by the District are utilized for delivery of the educational program in a manner that mandates full value to the taxpayers, and that adequate procedures and records are established to ensure that end. |
| 2. Authority SC 439, 601, 602, 609, 610, 631, 634, 664, 687, 690, 751, 807.1, 1155 | The Board has the authority and responsibility to prepare and adopt the budget, approve bids, levy taxes, and approve each expenditure of the District. |
| 3. Delegation of Responsibility | <p>To meet the goals of this policy, the Board directs the Business Manager, under the direction of the Superintendent, to establish sound accounting procedures based upon recommendations of the District auditor and state and federal government, institute effective business practices, and recommend appropriate equipment and technology when necessary.</p> <p>The Business Manager shall review monthly the financial operations, report to the Board on effectiveness and recommended improvements, and prepare administrative procedures for sound District and school fiscal operations.</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: BUDGET PLANNING

ADOPTED: March 20, 2006

REVISED:

| 602. BUDGET PLANNING | |
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| <p>1. Authority SC 433, 601, 664, 687</p> | <p>The budget shall be designed to reflect the Board's goals and objectives concerning the education of District students. Therefore, the budget shall be organized and planned to ensure adequate understanding of the financial needs associated with program support and development. The financial requirements of District programs shall be reviewed on a continual basis.</p> |
| <p>2. Guidelines</p> | <p>A system of budgeting has been adopted for use in the Governor Mifflin School District. The budgeting system shall be supported by an accounting structure organized and operated on a fund basis with a self-balancing set of accounts.</p> |
| <p>3. Delegation of Responsibility</p> | <p>The Superintendent shall determine the manner in which the annual District budget is to be compiled and issue instructions to the staff. S/He shall also establish a time schedule for the preparation of the budget to be known as the "budget calendar."</p> <p>Each principal shall, with the assistance of his/her teachers and department chairs, prepare an estimate of his/her school needs and submit the estimate to the Superintendent as per deadlines established by the budget calendar.</p> <p>To meet the objectives of this policy, the Board directs the Superintendent to:</p> <ol style="list-style-type: none"> 1. Include an estimated annual cost for implementation of the District's educational program. 2. Prepare a long range plan for annual maintenance and replacement of facilities. 3. Prepare a plan for current and future technology needs. 4. Maintain an inventory and replacement schedule of all District equipment. 5. Establish a projected budget of expenditures and income for the current year and ensuing year. |

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| <p>School Code 433, 601, 664, 687</p> | <ol style="list-style-type: none">6. Prepare an annual estimate of anticipated school enrollments.7. Maintain a plan of anticipated revenues based on changes in state and federal legislation.8. Report to the Board any serious financial implications arising from the budget plan. |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: BUDGET PREPARATION

ADOPTED: March 20, 2006

REVISED: May 21, 2007

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| <p>603. BUDGET PREPARATION</p> | |
| <p>1. Purpose</p> | <p>The Board considers preparation of an annual budget to be one of its most important responsibilities because the budget is the financial reflection of the District's educational plan. The budget shall be designed to support the educational plan in a comprehensive and efficient manner, to maintain District facilities, and to honor district obligations.</p> |
| <p>2. Authority SC 687</p> | <p>The Board recognizes its obligation to the taxpayers to approve only those expenses reasonably required to provide an educational program suitable to the needs and goals of this District and its students.</p> |
| <p>3. Delegation of Responsibility SC 601, 687 53 P.S. Sec. 6926.311 Pol. 604</p> | <p>In order to ensure adequate time for preparation and review of the proposed/preliminary budget, the Board directs the Superintendent to present to the Board all available information associated with the budget at least ninety (90) days prior to the primary election.</p> <p>In preparing the budget, the responsible administrator shall set general priorities for expenditures for:</p> <ol style="list-style-type: none"> 1. Staff necessary to maintain current programs. 2. Technology, equipment and supplies necessary to maintain current programs. 3. Additional staff necessary to improve or expand current programs. 4. New technology, equipment and supplies necessary to improve or expand current programs. |
| <p>53 P.S. Sec. 6926.302</p> | <p>As a component of budget preparation, the Business Manager shall notify the Board of the appropriate Index to be used in limiting tax increases for the budget year.</p> |

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| <p>53 P.S. Sec. 6926.333</p> | <p>When presented for Board review, the proposed/preliminary budget shall contain:</p> <ol style="list-style-type: none">1. Estimated revenue and expenditures in each financial category for the previous fiscal year.2. Estimated revenue and expenditures in each financial category for the upcoming fiscal year.3. Student enrollment for the upcoming school year.4. Amount of surplus anticipated at the end of the current fiscal year.5. Explanation of each item of expense proposed, upon request.6. Listing of all exceptions for which the District may be eligible.7. Relation of the estimated tax increase to the Index limitation for the District.8. Programs, services or expenditures to be eliminated if referendum is rejected.9. Increase, if any, of tax rate in relation to the Index. <p>References:</p> <p>School Code – 24 P.S. Sec. 601, 687</p> <p>Taxpayer Relief Act – 53 P.S. Sec. 6926.301 et seq.</p> <p>Board Policy – 604</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: BUDGET ADOPTION

ADOPTED: March 20, 2006

REVISED: May 21, 2007

| 604. BUDGET ADOPTION | |
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| 1. Purpose | It is the philosophy of the Board that the annual budget represents the position of the Board, and all reasonable means shall be employed to present and explain the preliminary and final budgets to District residents. Board members and District administrators shall be knowledgeable about, and understand the need for, proposed expenditures. |
| 2. Definition | Index - the tax rate limit that restricts the school district from increasing the rate of any tax for the support of District schools without seeking voter approval through referendum or an exception granted by the Pennsylvania Department of Education (PDE) or the Court of Common Pleas with jurisdiction. |
| 3. Delegation of Responsibility SC 687 53 P.S. Sec. 6926.311, 6926.312 | The Board directs the Business Manager to prepare both the preliminary and final budgets on the required forms; comply with advertising requirements; and make the budget documents and supporting information available in printed form for public inspection in the District administrative offices, in accordance with the timelines specified in law and Board policy. |
| 4. Authority | The Board shall annually, but not later than the first business meeting of January, decide the budget option to be used for the following fiscal year. The Board shall approve either the Accelerated Budget Process Option or the Board Resolution Option. <u>Accelerated Budget Process Option</u> |
| 53 P.S. Sec. 6926.311 | The preliminary budget shall be made available in printed form for public inspection at least 110 days prior to the primary election. Public inspection shall be available for at least twenty (20) days prior to planned adoption. The Board shall give public notice of its intent to adopt at least ten (10) days prior to adoption of the preliminary budget. |
| 53 P.S. Sec. 6926.311 | The Board may hold an advertised public hearing prior to adoption of the preliminary budget. |

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| <p>53 P.S. Sec. 6926.311</p> | <p>The Board shall annually adopt the preliminary budget at least ninety (90) days prior to the primary election.</p> |
| <p>53 P.S. Sec. 6926.333</p> | <p>If the preliminary budget exceeds the increase authorized by the Index, an application for an exception may be filed with either a Court of Common Pleas with jurisdiction or PDE and made available for public inspection, consistent with the requirements of law. The application for an exception shall be submitted by the Business Manager.</p> |
| <p>53 P.S. Sec. 6926.333</p> | <p>However, the Board may substitute the filing of an application for an exception to the Index limit by submitting a referendum question seeking voter approval for a tax increase, in accordance with law.</p> |
| <p>53 P.S. Sec. 6926.333</p> | <p>In the event that a court or PDE denies an application for an exception to the Index limit adopted as part of the preliminary budget, the Board may approve immediate filing of a referendum question, as authorized by law, seeking voter approval for a tax rate that exceeds the Index. This filing shall be performed by the Business Manager.</p> |
| <p>53 P.S. Sec. 6926.333</p> | <p>Any referendum question shall include an accompanying nonlegal, interpretative statement referencing the expenditure items for which a tax increase is being sought and the consequences that will result if the referendum question fails. Such information shall be made available to the public through the District web site and District newsletter.</p> |
| <p>53 P.S. Sec. 6926.312</p> | <p>At least thirty (30) days prior to adoption, the final budget shall be presented to the Board on the required form and supplemented with information deemed necessary by the Board.</p> |
| <p>53 P.S. Sec. 6926.312</p> | <p>The final budget shall be made available in print for public inspection at least twenty (20) days prior to final adoption. The Board shall give notice of its intent to adopt at least ten (10) days prior to adoption of the final budget.</p> |
| <p>SC 508, 687</p> | <p>The Board shall annually adopt the final budget by a majority vote of all members of the Board prior to June 30.</p> |

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| 53 P.S. Sec. 6926.311 | <p><u>Board Resolution Option</u></p> <p>The Board shall adopt a resolution that it will not raise the rate of any tax for the following fiscal year by more than the Index. Such resolution shall be adopted no later than 110 days prior to the primary election and must contain the following unconditional certifications that:</p> <ol style="list-style-type: none">1. The Board will not increase any tax at a rate that exceeds the School District Index.2. The Board will comply with Section 687 of the School Code for budget adoption.3. The increase of any tax at a rate less than or equal to the Index will be sufficient to balance its final budget. |
| SC 687 | <p>At least thirty (30) days prior to adoption of the final budget, the Board shall prepare and present a proposed budget on the required form. The proposed budget shall be made available in print for public inspection and duplication at the District administrative offices at least twenty (20) days prior to adoption of the budget. The Board shall give public notice of its intent to adopt at least ten (10) days prior to adoption of the proposed budget.</p> |
| SC 508, 687 | <p><u>Final Budget</u></p> <p>The Board shall annually adopt the final budget by a majority vote of all members of the Board by June 30.</p> <p>References:</p> <p>School Code – 24 P.S. Sec. 508, 687</p> <p>Taxpayer Relief Act – 53 P.S. Sec. 6926.301 et seq.</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: TAX LEVY

ADOPTED: March 20, 2006

REVISED: May 21, 2007

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| <p>1. Authority SC 602, 603, 672, 673, 674, 676, 679, 680 53 P.S. Sec. 6901 et seq, 6926.301 et seq</p> | <p style="text-align: center;">605. TAX LEVY</p> <p>The Board shall annually determine and establish School District taxes that are authorized by law, within the limitations imposed by applicable laws. The Board shall provide the means to levy and collect such taxes.</p> <p>The results of appeals pertaining to School District taxes shall be determined by Board action.</p> <p>References:</p> <p>School Code – 24 P.S. Sec. 602, 603, 672, 672.1, 672.2, 673, 674, 676, 679, 680</p> <p>Local Tax Enabling Law – 53 P.S. Sec. 6901 et seq.</p> <p>Taxpayer Relief Act – 53 P.S. Sec. 6926.301 et seq.</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: TAX COLLECTION

ADOPTED: March 20, 2006

REVISED: May 21, 2007

| 606. TAX COLLECTION | |
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| <p>1. Authority SC 683, 684</p> <p>53 P.S. Sec. 6910, 6926.322</p> | <p>Real estate and per capita taxes provided for in the Pennsylvania School Code shall be collected by the elected tax collector, who shall be properly bonded during the term of office.</p> <p>All other taxes shall be collected by the elected and properly bonded tax collector or the School District tax office/depository.</p> |
| <p>2. Delegation of Responsibility SC 439</p> <p>SC 433, 684</p> | <p>All taxes shall be collected and remitted to the District office within the time period specified in the Tax Collectors' Compensation Plan, with a report detailing the sources of tax revenues.</p> <p>The Board Secretary shall be responsible to ascertain that a tax collector is properly bonded and shall submit information on estimated collection required to set proper bond.</p> <p>All monies received from the tax collectors shall be deposited on the day of receipt or as soon as possible, and all receipts shall be supported by documentary evidence.</p> <p>Preparation of tax bills shall be conducted by a firm selected by the Board.</p> |
| <p>3. Guidelines</p> | <p><u>Interim Tax Collection</u></p> <p>Interim property assessments are received quarterly from the County Assessment Board. It shall be the policy of the District to bill property owners for the interim taxes through the elected tax collectors.</p> <p>Interim Per Capita Tax Notices shall be mailed to all residents that move into the District from July 1 through October 15 of each fiscal year.</p> |

References:

School Code – 24 P.S. Sec. 433, 439, 683, 684

Local Tax Enabling Act – 53 P.S. 6901 et seq.

Taxpayer Relief Act – 53 P.S. 6926.301 et seq.

Board Policy – 605

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: TUITION INCOME

ADOPTED: March 20, 2006

REVISED:

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| <p>1. Authority SC 1316 Pol. 202</p> <p>2. Delegation of Responsibility</p> <p>3. Guidelines SC 2561</p> <p>School Code 1316, 2561</p> <p>Board Policy 202</p> | <p style="text-align: center;">607. TUITION INCOME</p> <p>When the District receives students who are residents of another school district, it shall assess tuition charges in accordance with the Pennsylvania School Code. Tuition shall be assessed for those students whose attendance has been approved by the Board, in accordance with policy.</p> <p>It shall be the responsibility of the Business Manager to invoice tuition for approved students.</p> <p>Tuition rates shall be determined annually.</p> <p>Tuition billings will be made and payments shall be received in advance of the attendance period.</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: BANK ACCOUNTS

ADOPTED: March 20, 2006

REVISED:

| 608. BANK ACCOUNTS | |
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| 1. Authority SC 508, 621 SC 440, 624 SC 622 | <p>The Board, by a majority vote of the full Board, shall designate one or more banks or bank and trust companies as depositories for the safeguarding of school funds.</p> <p>Each depository shall be required to report monthly to the Treasurer or Board on the status of funds, in the manner required by law.</p> <p>Each designated depository shall furnish proper security for deposits in the amount designated by the Board and in accordance with law.</p> |
| 2. Guidelines | <p>Each designated depository shall be advised not to cash checks payable to the District but to deposit said checks to the District accounts.</p> <p>The Board shall periodically obtain quotations for specified banking services prior to designating its depositories.</p> |
| School Code 440, 508, 621, 622 623, 624, 625 | |

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| <p>4. Delegation of Responsibility SC 440.1</p> <p>SC 440.1 72 P.S. Sec. 3836 et seq</p> | <p>Concentration of credit risk - the risk associated with the consolidation of investments in a single pool, institution, or instrument.</p> <p>Credit risk - the risk of loss of principal due to the failure of the security issue or backer of the issue.</p> <p>Custodial credit risk - the risk of loss associated with consolidation of investments with a single institution where the district may rely on the institution to hold investments on behalf of the district or through collateral action when the instruments are not in the district name.</p> <p>Foreign currency risk - the risk associated with investment in foreign currency that is subject to market fluctuation and associated currency conversion.</p> <p>Interest rate risk - the risk that the market value of securities will fall due to changes in general interest rates.</p> <p>Investment program - the specifically enumerated and Board-approved investment strategy.</p> <p>The Board shall delegate to a designated individual the responsibility to manage the district's investment program, in accordance with written, Board-approved rules and procedures for operation of the investment program.</p> <p>An annual review of the investment program shall be prepared by the designated individual, based upon the anticipated cash flow of all district funds, i.e. general, capital reserve, bond, etc. The investment program shall be submitted to the Board no later than June.</p> <p>The designated individual responsible for investments shall report monthly to the Board the following:</p> <ol style="list-style-type: none"> 1. Amount of funds invested. 2. Interest earned and received to date. 3. Types and amounts of each investment and the interest rate on each. 4. Names of the institutions where investments are placed. 5. Current market value of the funds invested. 6. Collateralization of deposits exceeding insurance limits. |
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| | <p>The Board directs the Superintendent to establish administrative regulations that will ensure compliance with this policy, including a disclosure form for designated individuals involved in the investment process and/or required written statements for advisors and bidders.</p> |
| <p>5. Guidelines SC 440.1</p> | <p>Investments permitted by this policy are those defined in law, which are collateralized in accordance with applicable laws.</p> <p>All securities shall be purchased in the name of the school district, and custody of the securities shall be specified within the district's investment program.</p> |
| <p>17 CFR Part 270</p> | <p>An exception to purchases in the name of the school district is permitted for the purchase of shares of an investment company that is or conducts business voluntarily in compliance with applicable law.</p> |
| <p>SC 440.1</p> | <p>All investment advisors or bidders shall verify in writing that they have received a copy of this Board policy. Such written statement shall indicate that they have read and understand this policy and all applicable laws related to school district investments, along with their intent to comply fully with these requirements.</p> <p>The district shall require all investment advisors/bidders to submit annually any or all of the following, as appropriate:</p> <ol style="list-style-type: none"> 1. Audited financial statements. 2. Proof of National Association of Securities Dealers (NASD) certification. 3. Proof of state registration. 4. Rating from a recognized rating agency. <p><u>Disclosure</u></p> |
| <p>65 Pa. C.S.A. Sec. 1101 et seq</p> | <p>Designated officers and employees involved in the district's investment process shall disclose any personal business activity that could conflict with the proper execution and management of the investment program or could impair their ability to make impartial decisions.</p> <p><u>Audit</u></p> |
| <p>Pol. 619</p> | <p>The Board directs that all investment records be subject to annual audit by the district's independent auditors.</p> |

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| <p>SC 440.1 72 P.S. Sec. 3836 et seq</p> | <p>5. For purposes of interest rate disclosure in the annual financial report, the method of determining interest rate risk shall be based on weighted average maturity.</p> <p><u>Protection Of Bank Balances In Excess Of FDIC Limits</u></p> <p>When district cash is deposited in an authorized depository, if the cash balance exceeds the insurance limits, district funds shall be collateralized pursuant to law.</p> <p>The collateral shall be limited to Investments authorized by law.</p> <p>It shall be the responsibility of the Business Manger to verify with the depository the value of the instrument(s) based on the instrument being “marked to market.”</p> <p>Verification of the value of the collateral instrument(s) shall occur quarterly.</p> <p>Following a review of valuation, the Business Manager may request an additional review by the district’s investment advisors or financial consultant, and shall require additional collateral if the existing collateral has declined in value and exposes the district to potential loss of principal. The Board shall be advised of the status of the valuation review and any additional collateral at the first meeting following the review.</p> <p>References:</p> <p>School Code – 24 P.S. Sec. 218, 440.1, 621, 622, 623</p> <p>Local Government Unit Debt Act – 53 Pa. C.S.A. Sec. 8001 et seq.</p> <p>Public Officials and Employee Ethics Act – 65 Pa. C.S.A. Sec. 1101 et seq.</p> <p>Security of Public Deposits – 72 P.S. Sec. 3836 et seq.</p> <p>Investment Companies, Title 17, Code of Federal Regulations – 17 CFR Part 270</p> <p>Governmental Accounting Standards Board, Statement No. 40</p> <p>Board Policy – 000, 619</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PURCHASES SUBJECT TO
BID/QUOTATION

ADOPTED: March 20, 2006

REVISED: May 21, 2007

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| 610. PURCHASES SUBJECT TO BID/QUOTATION | |
| 1. Authority SC 751, 807.1 | <p>It is the policy of the Board to obtain competitive bids and price quotations for products and services where such bids or quotations are required by law or may result in monetary savings to the School District.</p> <p><u>Supplies</u></p> |
| SC 807.1 | <p>The Board shall, after due public notice advertising for competitive bids, purchase furniture, equipment, school supplies and appliances costing \$10,000 or more, unless exempt by law. The Board shall advertise once a week for three (3) weeks in not less than two (2) newspapers of general circulation.</p> |
| SC 807.1 | <p>Furniture, equipment, school supplies and appliances to be purchased by the District costing more than \$4,000 but less than \$10,000 may be obtained on written or telephonic quotations, unless exempt by law. If it is not possible to obtain three (3) quotations, a memo must be kept on file showing that fewer than three (3) qualified vendors exist in the market area. The written price quotations, written records of telephonic price quotations and memoranda shall be kept on file for a period of three (3) years.</p> <p><u>Contracts</u></p> |
| SC 751 | <p>The Board shall, after due public notice advertising for competitive bids, contract for construction, reconstruction, repairs, maintenance or work on any school building or property having a cost or value of more than \$10,000, unless exempt by law.</p> |
| SC 751 | <p>All contracts for construction, reconstruction, repairs, maintenance or work on any school building or property, having a cost or value of more than \$4,000 but not more than \$10,000, may be obtained on written or telephonic quotations, unless exempt by law. If it is not possible to obtain three (3) quotations, a memo must be kept on file showing that fewer than three (3) qualified vendors exist in the market area. The written price quotations, written records of telephonic price quotations and memoranda shall be kept on file for a period of three (3) years.</p> |

610. PURCHASES SUBJECT TO BID/QUOTATION - Pg. 2

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| SC 751 | <p>The Board may authorize District employees to perform construction, reconstruction, repairs or work having a cost or value of less than \$5,000.</p> |
| 62 Pa. C.S.A. Sec. 4602, 4603 | <p><u>Electronic Bidding</u></p> <p>The Board may receive bids electronically for competitive contracts, except for construction and design services, in compliance with applicable laws and Board policy.</p> |
| 62 Pa. C.S.A. Sec. 4603 | <p>The District shall electronically maintain the confidentiality of the bid until the bid opening.</p> |
| 62 Pa. C.S.A. Sec. 4602, 4604 | <p><u>Competitive Electronic Auction Bidding</u></p> <p>The Board shall adopt a resolution approving the use of competitive electronic auction bidding for contracts for supplies or services, but not for construction or design services.</p> |
| 62 Pa. C.S.A. Sec. 4604 | <p>An invitation for bids shall be issued and shall include:</p> <ol style="list-style-type: none"> 1. Procurement description. 2. All contractual terms, when practical. 3. Conditions applicable to procurement, including a notice that bids will be received in an electronic auction manner. <p>Public notice and advertisement of the invitation for bids shall be given in the manner required for non-electronic bidding.</p> <p>Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids.</p> <p>During the auction, bidders shall be able to review their bid rank or the low bid price, and may reduce their bid prices during the auction.</p> <p>At the conclusion of the auction, the record of the bid prices received and the name of each bidder shall be open to public inspection.</p> <p>After the auction period has expired, the District shall grant in writing withdrawal of a bid when the bidder requests relief and presents credible evidence of a clerical mistake due to reasons permitted by law, within the time period established by the District.</p> |

610. PURCHASES SUBJECT TO BID/QUOTATION - Pg. 3

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| <p>2. Delegation of Responsibility</p> <p>SC 751, 807.1</p> <p>SC 807.1</p> <p>SC 751</p> | <p>The contract shall be awarded within sixty (60) days of the auction by written notice to the lowest responsible bidder, or all bids may be rejected. Extensions of the award date may be made by written, mutual consent of both parties.</p> <p>Bid specifications shall be prepared by the Business Manager.</p> <p>Bid specifications shall provide for alternates wherever possible.</p> <p>The Business Manager shall combine like items of supply and material whenever it is feasible and permissible under law and shall not split purchases to avoid requirements for bidding.</p> <p>Bids shall be opened publicly by the Business Manager before one (1) or more witnesses at a previously designated time and place.</p> <p>Contracts shall be awarded to the lowest responsible bidder upon resolution of the Board, unless the Board chooses to reject all bids.</p> <p>The Board recognizes that emergencies may occur when imminent danger exists to persons or property or continuance of existing school classes is threatened, and time for bidding cannot be provided because of the need for immediate action. Bidding decisions in the event of such emergencies shall be made in accordance with existing legal requirements.</p> <p>References:</p> <p>School Code – 24 P.S. Sec. 751, 807.1</p> <p>Local Government Unit Electronic Bidding Act – 62 Pa. C.S.A. Sec. 4601 et seq.</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PURCHASES BUDGETED

ADOPTED: March 20, 2006

REVISED:

| 611. PURCHASES BUDGETED | |
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| 1. Authority SC 751, 807.1 | It is the policy of the Board that when funds are available all purchases contemplated within the current budget and not subject to bid shall be made in a manner that ensures the best interests of the District. |
| 2. Delegation of Responsibility SC 609, 751, 807.1 | <p>All purchases that are within budgetary limits, and were originally contained within the budget, may be made upon authorization of the Business Manager.</p> <p>All purchase order requests must be referred to the Business Manager who shall check whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the District.</p> |
| 3. Guidelines | <p>In the interests of economy, fairness and efficiency in its business dealings, the Board requires that:</p> <ol style="list-style-type: none">1. Items commonly used in the various schools and buildings be standardized whenever possible.2. Opportunity to do business with the District shall be provided to as many responsible suppliers as possible. Lists of potential suppliers for various types of supplies, equipment and services will be developed and maintained.3. No purchase request will be honored unless made on a District requisition form that has the necessary approval. <p>The Board recognizes its position as a major purchaser in the community. While it is the Board's intent to purchase quality materials and supplies at the lowest possible cost through open competition, if all other considerations are equal the Board prefers to purchase within the District from established local merchants.</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PURCHASES NOT BUDGETED

ADOPTED: March 20, 2006

REVISED:

| 612. PURCHASES NOT BUDGETED | |
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| <p>1. Purpose</p> | <p>The laws of the state and the interests of the community require fiscal responsibility by the Board in the operation of the District. Appropriate fiscal controls shall be adopted to ensure that public funds are not disbursed in amounts in excess of the appropriations provided to the District.</p> |
| <p>2. Authority SC 609, 666, 687</p> | <p>When funds are not available for a proposed appropriation, a legal transfer from one class of expenditure to another may be made by the Board, upon request of the Superintendent and recommendation of the Business Manager, in the last nine (9) months of the fiscal year if it is apparent that the necessary surplus funds do exist in another appropriation, the procedures specified in the Pennsylvania School Code are followed, and it can be demonstrated that the proposed expenditure would be educationally warranted in the current fiscal year.</p> <p>In the event of emergency, which exists whenever the time required for the Board to act in accordance with regular procedures would endanger life or property or threaten continuance of existing school classes, a purchase order may be authorized by the Business Manager.</p> <p>When budgeted funds are allocated on a building basis, the total amount budgeted may not be exceeded without prior approval of the Board.</p> <p>Any expenditures in excess of appropriation made in conformance with this policy shall be reported to the Board at the next meeting, with a recommendation of funds to be transferred to cover said purchase.</p> |
| <p>3. Delegation of Responsibility</p> <p>School Code 609, 666, 687</p> <p>Board Policy 611</p> | <p>The Business Manager shall report to the Superintendent regarding the legality of all expenditures. The Superintendent shall certify that all expenditures recommended for approval each month are legal expenditures.</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: COOPERATIVE PURCHASING

ADOPTED: March 20, 2006

REVISED:

| 613. COOPERATIVE PURCHASING | |
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| 1. Authority SC 751 53 Pa. C.S.A. 2304 et seq | The Board recognizes the advantages of centralized purchasing. Therefore, the Board encourages the administration to seek the benefits and savings that may accrue through joint agreements with other political subdivisions for the purchase of supplies, equipment or services. |
| 2. Delegation of Responsibility | The Board authorizes the Business Manager to negotiate appropriate cooperative purchase agreements with other political subdivisions, in accordance with law and Board policy. |
| 3. Guidelines 53 Pa. C.S.A. 2304 et seq SC 807.1 | Cooperative purchases require an agreement approved by the Board and the participating contracting body(s), which may specify: <ol style="list-style-type: none">1. Categories of equipment or supplies to be purchased.2. Manner of advertising for bids and awarding contracts.3. Method of payment by each participating party.4. Other matters deemed necessary to carry out the purposes of the agreement. All such agreements must conform to relevant provisions of the School Code. |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PAYROLL AUTHORIZATION

ADOPTED: March 20, 2006

REVISED:

| 614. PAYROLL AUTHORIZATION | |
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| <p>1. Authority SC 406, 1106, 1107 Pol. 308, 408, 508 614 AR</p> | <p>Employment of all permanent, temporary and part-time District personnel must be approved by the Board. The Board shall authorize payment of salaries to employees. Actions by the Board to employ staff on a contractual basis may include the name of the individual, position title, salary, period of employment, position classification, method of payment and budget category to which the wages are to be charged.</p> <p>Actions by the Board to employ temporary or part-time personnel may include the name of the individual, position title, rate of pay, position classification, the maximum number of hours or days an employee may work, school or vocation assignment to which wages are to be charged.</p> <p>The minutes of Board meetings shall record all actions with regard to resignation, retirement, death or discharge of all employees, or nonretention of a temporary professional employee. Each action shall include the name of the employee, date upon which salary or wages will terminate, and position formerly held.</p> |
| <p>2. Guidelines</p> | <p>Daily sign-in and sign-out procedures adequate to meet wage and hour requirements and Board policy may be required of all employees.</p> <p>Salary or wages may be withheld for unapproved time off, in accordance with established procedures, by the Superintendent.</p> |
| <p>Pol. 530</p> | <p>Overtime can be scheduled and paid when authorized in advance by the immediate supervisor.</p> <p>The payroll shall be certified by the Business Manager.</p> |
| <p>614 AR-1</p> | <p><u>Pay Day Schedules</u></p> <p>All personnel shall be paid according to a specific schedule determined annually.</p> |

614. PAYROLL AUTHORIZATION - Pg. 2

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| <p>614 AR-2</p> <p>School Code 406, 1106, 1107</p> <p>Board Policy 308, 408, 508, 530</p> | <p><u>Direct Deposit Payroll</u></p> <p>Each employee at the time of his/her employment shall select the financial institution that s/he wishes to use for our direct deposit payroll.</p> <p>The employee may change the financial institution by completing an applicable form that must be presented to the payroll secretary.</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PAYROLL DEDUCTIONS

ADOPTED: March 20, 2006

REVISED: April 21, 2008

| 615. PAYROLL DEDUCTIONS | |
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| 1. Purpose | The Board may, at its discretion, act on behalf of individual employees to deduct a certain amount from the employee's paycheck and to remit an equal amount to an agent designated by the employee. It is the intent of this policy to designate those purposes not otherwise mandated by law for which the Board is willing to act on behalf of the employee. |
| 2. Authority SC 513 | No deduction may be made from the wages of an employee except for federal or state income tax, PA unemployment, county tax, municipal or school taxes, social security and School Employees' Retirement Fund without proper authorization by the employee, provided, however, no employee authorization shall be necessary in the case of court-ordered deductions or directives issued by any federal, state or local agency or governmental authority. |
| SC 513 | <p>The Board shall permit deductions from an employee's paycheck upon proper authorization on the appropriate District form for the following purposes:</p> <ol style="list-style-type: none"> 1. Tax Sheltered Annuity: No deduction in third pay period of any month. 2. Voluntary Disability Insurance. 3. National Education Association. 4. Pennsylvania State Education Association. 5. Governor Mifflin Education Association. 6. American Federation of State. 7. County and Municipal Employees dues as authorized. 8. Insurance Plan. 9. 125 Plan. |

10. United Way.

11. Education Foundation, etc.

12. Credit Union.

13. IRS Garnishments.

14. Child Support.

References:

School Code – 24 P.S. Sec. 513

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PAYMENT OF BILLS

ADOPTED: March 20, 2006

REVISED:

| 616. PAYMENT OF BILLS | |
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| <p>1. Purpose</p> | <p>It is the Board's intent to direct prompt payment of bills but at the same time to ensure that due care has been taken in the review of District bills.</p> |
| <p>2. Authority SC 439, 607, 1155 SC 427, 439</p> | <p>Each bill or obligation of this District must be fully itemized, verified and approved by the Board before a check can be drawn for its payment, except that the Board Secretary is permitted to draw payment orders for:</p> <ol style="list-style-type: none"> 1. The prompt payment of items that will accrue to the District's advantage. 2. Progress payments to contractors specified in a contract approved by the Board. 3. Orders to cover approved payrolls and agency account deposits. 4. Utility bills in months the Board does not meet. |
| <p>3. Delegation of Responsibility SC 607, 687 Pol. 612</p> | <p>It shall be the responsibility of the Business Manager or designee upon receipt of an invoice to verify that the purchase invoice is in order, goods were received in acceptable condition or services were satisfactorily rendered, funds are available to cover the payment, the Board had budgeted for the item, and invoice is for the amount contracted.</p> <p>Should the invoice vary from the acknowledged purchase order, the Business Manager or designee shall document on the invoice the reason for such variance.</p> <p>Should funds not be available in the account to which a proposed purchase will be charged, the Business Manager or designee shall determine the overage and request the Board make a legal transfer to cover it.</p> <p>All claims for payment shall be submitted to the Board and recorded in the minutes of the Board meeting.</p> |

616. PAYMENT OF BILLS - Pg. 2

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| | <p>The list of bills shall include for each:</p> <ol style="list-style-type: none"> 1. Check number. 2. Check date. 3. Vendor. 4. Amount of remittance. 5. Account charged. |
| SC 439 | <p>Upon approval of an order, the Treasurer shall prepare a check for payment and cancel the commitment placed against the appropriate account.</p> |
| SC 427, 433, 439 | <p>All checks approved by the Board shall be signed by two (2) of the following officers: the President, Board Secretary and Treasurer.</p> |
| SC 428 | <p>The Vice-President may sign for the President.</p> |
| 4. Guidelines 65 P.S. 302 | <p>Signatures of the President, Vice-President, Treasurer and Board Secretary may be engraved on a signature plate or stamp.</p> |
| | <p>No check shall be made out to cash.</p> |
| | <p><u>Sales Tax</u></p> |
| 72 P.S. 7204(12) | <p>The District is exempt from sales tax on the purchase of tangible, personal property or services that are sold or used by the District. The District shall control use of its sales tax exemption number issued by the Department of Revenue, in compliance with established regulations. The exemption number shall be used only when buying property or services for District use.</p> |
| | <p>The District shall obtain a sales tax license number for school organizations who purchase items to be resold.</p> |
| | <p>In order to monitor these activities, the Business Manager shall develop procedures to assure coordination and accumulation of information and proper reporting and remittance to the Department of Revenue.</p> |

616. PAYMENT OF BILLS - Pg. 3

School Code

427, 428,
433, 439,
607, 608,
610, 687,
1155

65 P.S.
301 et seq

72 P.S.
7204 (12)

Board Policy
612

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: PETTY CASH

ADOPTED: March 20, 2006

REVISED:

| 617. PETTY CASH | |
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| 1. Purpose | Petty cash funds may be used for designated purposes but shall be subject to adequate controls and safeguards. |
| 2. Authority | The Board authorizes the establishment of petty cash funds under the control of designated employees in District buildings. |
| 3. Delegation of Responsibility Pol. 811 | Each responsible employee shall ensure that petty cash funds are spent only for designated purposes. |
| 617 AR | The person responsible for each petty cash fund shall prepare a total of the disbursement slips monthly and submit such documentation to the Accounts Payable Secretary with a voucher requesting replenishment. |
| 4. Guidelines | <p>No single purchase for petty cash shall exceed \$200.</p> <p>Each request for funds shall be made in writing and signed by the requestor, with any confirming receipts attached.</p> <p>Receipts are required for all expenditures.</p> <p>The petty cash box shall be secured by the responsible employee.</p> <p>All petty cash funds shall be closed out for audit at the end of the school year.</p> <p>Funds are not to be used to circumvent the regular purchasing procedure.</p> <p>Petty cash funds may not be used to accommodate the cashing of personal checks.</p> <p>Petty cash funds have been created for:</p> <ol style="list-style-type: none"> 1. Central Administration. |

Board Policy
811

2. Principals.
3. Instructional Media Coordinator.
4. Publications.
5. Buildings & Grounds Department.

SECTION: FINANCES

TITLE: STUDENT ACTIVITY FUNDS

ADOPTED: March 20, 2006

REVISED:

GOVERNOR MIFFLIN SCHOOL DISTRICT

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| | 618. STUDENT ACTIVITY FUNDS |
| 1. Purpose | The Board is responsible for adopting and enforcing reasonable policy and rules regarding the management, supervision, control and prohibition of student activities, including raising and disbursing funds. |
| 2. Definition | For purposes of this policy, student activity funds shall include the funds of Board-approved student groups. Student activity funds shall be raised by students and expended for purposes related to the activity, with student participation in the decision-making process regarding these areas. |
| 3. Authority SC 511 | Student activity funds are not part of District funds but must be approved by the Board. The Board adopts this policy to ensure proper supervision of student activity funds under the District's responsibility. |
| 4. Delegation of Responsibility Pol. 811 618 AR-1 | <p>The Superintendent or designee is responsible for developing and implementing administrative procedures governing student activity funds.</p> <p>The building principal is responsible for working with students and advisors, implementing policies and procedures, and maintaining fiscal records. The principal shall serve as custodian of the funds and shall countersign all checks drawn upon them. The principal shall be bonded.</p> <p>Activity advisors are responsible for working with students in assigned activities and ensuring compliance with policy and procedures by the student organization.</p> <p>The organization's student treasurer and faculty advisor are responsible for maintaining records of all funds collected and disbursed and submitting required reports to the Board.</p> |
| 5. Guidelines | Each student activity covered by this policy must be recognized and budgeted by the student organization before funds can be collected or disbursed in the name of the group. |

618. STUDENT ACTIVITY FUNDS - Pg. 2

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| <p>SC 440.1, 623</p> | <p>All student activities shall be on a self-sustaining basis, except for situations approved by the Board.</p> <p>Funds of any student body organization may be deposited or invested in banks whose accounts are insured by FDIC or investment certificates or withdrawable shares in state-chartered savings and loan associations doing business in-state and insured by FDIC or FSLIC.</p> <p>All funds collected by student organizations shall be deposited in a student activities fund in a bank designated by the Board. Activity fund balances shall be deposited in an interest-bearing account. Prorated interest income shall be credited to the various accounts on an annual basis.</p> <p>No school-sponsored student organization is permitted to establish an account separate from the student activities fund.</p> |
| <p>618 AR</p> | <p>Funds collected shall be turned in to the custodian of the fund before the end of each school day, and they shall be safeguarded until deposited as soon as possible.</p> |
| <p>SC 511</p> | <p>Records shall be maintained of the receipt and disbursement of all funds in designated accounts, according to the bylaws of the student organization involved.</p> <p>Disbursements from such funds shall be made only by check upon the request of the authorized advisor and the approval of the fund custodian. Disbursements shall be supported by invoices or verified documentation.</p> <p>All checks shall be signed by two (2) individuals authorized to approve such disbursements.</p> |
| <p>SC 511, 807.1</p> | <p>All purchases of materials or supplies by any organization, club, society or group, or by any school or class shall be made by the purchaser in accordance with the requirements of law. A record of all quotations or bids must be maintained for audit purposes.</p> <p>All funds shall be of an exchange nature, and large balances should not be permitted to accumulate. Money should not be raised or collected unless there is a definite purpose for doing so.</p> |
| <p>SC 511</p> | <p>All funds accumulated in the name of a specific activity must be closed out annually, and any residual funds shall revert to the same group for the following school year.</p> |
| <p>SC 511</p> | <p>A financial report of the condition of each student activity fund shall be submitted to the Board monthly.</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: ATHLETIC ACCOUNT

ADOPTED: March 20, 2006

REVISED:

| 618.1. ATHLETIC ACCOUNT | |
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| <p>1. Purpose</p> | <p>Due to the special demands of athletic activities, the Board recognizes the need to establish an athletic account.</p> |
| <p>2. Guidelines</p> <p>Pol. 614, 615</p> | <p>The account shall operate through the District's General Fund.</p> <p>No District employee shall be paid for services rendered through the athletic fund. Payment for such services shall be made through the regular District payroll with appropriate deductions made.</p> |
| <p>3. Delegation of Responsibility</p> <p>618.1 AR</p> <p>SC 511</p> <p>Pol. 619</p> | <p>The Athletic Director shall be custodian of the account and shall submit monthly reports to the Business Manager and the Board.</p> <p>The local auditor shall be responsible for performing an internal audit of the athletic account on an annual basis. A record of all quotations or bids must be maintained for audit.</p> <p><u>Gate Receipts And Admissions</u></p> <p>The principal, Athletic Director, and/or other assigned sponsor shall be responsible for the administration and supervision of all phases of school events for which an admission is charged.</p> <p>Adequate records shall be maintained to provide accounting data for subsequent review and analysis.</p> <p>The process shall be coordinated through the office of the Business Manager.</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: DISTRICT AUDIT

ADOPTED: March 20, 2006

REVISED:

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| <p>1. Purpose SC 408, 2401 65 P.S. Sec. 66.1 65 Pa. C.S.A. 701 et seq</p> <p>2. Authority SC 2401</p> <p>Pol. 801</p> <p>3. Guidelines</p> | <p style="text-align: center;">619. DISTRICT AUDIT</p> <p>The Board recognizes the importance of the public's right to have access to the public records of the District, including public financial records. The public has the right under law to inspect and procure copies of the annual audit conducted by the District's accountants and the audit conducted by the Auditor General's office.</p> <p>The Board shall employ an independent, certified public accountant to conduct an annual District audit in conformance with prescribed and legal standards. The completed audit shall be presented to the Board for its examination and approval.</p> <p>The Board recognizes its obligation as an elected body to represent the best interests of all its constituents. Therefore, the Board shall make the results of both the District's accountant's audit and the Auditor General's audit available to the public at the business office of the District.</p> <p>The Board believes that the two (2) available audits provide adequate safeguards for the public interest. Therefore, special audits by special interest groups are not permitted.</p> <p>The Board recognizes that certain information shall not be made available to the public.</p> <p><u>Auditing Firm Selection</u></p> <p>The District shall hire an auditing firm for a term of three (3) years (at the December reorganizational meeting) subject to satisfactory performance as evidenced by an annual review. At the end of each three (3) year term the Board or its designated committee, shall solicit quotes and meet with at least three (3) interested firms to evaluate and select the auditing firm for the succeeding three (3) year period.</p> |
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School Code
408, 2401

65 P.S.
Sec. 66.1

65 Pa. C.S.A.
701 et seq

Board Policy
216, 324, 424,
524, 801

SECTION: FINANCES

TITLE: LOCAL TAXPAYER
BILL OF RIGHTS

ADOPTED: March 20, 2006

REVISED:

GOVERNOR MIFFLIN SCHOOL DISTRICT

| 621. LOCAL TAXPAYER BILL OF RIGHTS | |
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| <p>1. Purpose 53 Pa. C.S.A. Sec. 8401 et seq</p> | <p>As a local taxing authority, the Board recognizes the District's responsibility to comply with the requirements of the Tax Reform Act of 1998.</p> |
| <p>2. Definition Act 511 of 1965 53 Pa. C.S.A. Sec. 8422</p> | <p>Eligible taxes shall be defined as all non-real estate taxes, including per capita; occupation, occupation assessment and occupation privilege; income and net profits; business gross receipts; privilege; amusements or admissions; and any other tax authorized by the Local Tax Enabling Law.</p> |
| <p>3. Authority 53 Pa. C.S.A. Sec. 8423</p> | <p>The Board shall adopt a Local Taxpayer Bill of Rights that includes the following components:</p> <ol style="list-style-type: none"> 1. Taxpayer rights and the District's obligation during an audit or administrative review of the taxpayer's books or records. 2. Administrative and judicial procedures for a taxpayer to appeal or seek review of a tax decision. 3. Procedures for filing and processing refund claims and taxpayer complaints. 4. Enforcement procedures. |
| <p>53 Pa. C.S.A. Sec. 8423</p> | <p>The Board shall ensure that taxpayers are notified about the District's Local Taxpayer Bill of Rights any time they are contacted regarding assessment, audit, determination, review and collection of any tax other than real property taxes.</p> |
| <p>4. Delegation of Responsibility</p> | <p>It shall be the responsibility of the Superintendent, Business Manager, and/or other designated District employee to develop procedures to implement this policy which shall include:</p> <ol style="list-style-type: none"> 1. Preparation and dissemination of the required notice of availability of the Local Taxpayer Bill of Rights. |

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| | <ol style="list-style-type: none"> 2. Preparation of a Local Taxpayer Bill of Rights. 3. Preparation of a procedure for the District to request information from a taxpayer. 4. Establishment of an administrative appeals process. 5. Development of the form, content, process and deadlines for taxpayers to file a tax appeal petition. 6. Formulation of rules of practice and procedure for hearings. |
| <p>53 Pa. C.S.A. Sec. 8423</p> <p>5. Guidelines 53 Pa. C.S.A. Sec. 8437</p> | <p>The District shall respond to taxpayer requests for the Local Taxpayer Bill of Rights by making copies available at the District offices or mailing at District expense.</p> <p>Information obtained by the District as a result of an audit, return, report, investigation, hearing or verification shall be confidential. If a violation of confidentiality is committed by an officer or employee of the Board, s/he shall be subject to fines and dismissal from office or discharge from employment.</p> <p><u>Appeals Process</u></p> <p>The District establishes the following as choices for an administrative process to receive and make determinations on petitions from taxpayers relating to assessment, determination or refund of an eligible tax:</p> |
| <p>Title 1 C.S.A. Sec. 1991</p> | <ol style="list-style-type: none"> 1. Review or hearing and decision by a local tax appeals board appointed by the Board, consisting of three (3) to seven (7) members, including joint local tax appeal boards with other political subdivisions. 2. Review and decision by the Board in executive session. 3. Hearing and decision by a hearing officer appointed by the Board, which shall determine the qualifications and compensation of the appointee. |
| <p>53 Pa. C.S.A. Sec. 8430</p> | <ol style="list-style-type: none"> 4. Administrative review or appeal process currently in effect in the District that meets the requirements of applicable law. |

SECTION: FINANCES

TITLE: GASB STATEMENT 34

ADOPTED: March 20, 2006

REVISED:

GOVERNOR MIFFLIN SCHOOL DISTRICT

| 622. GASB STATEMENT 34 | |
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| <p>1. Purpose SC 613</p> | <p>The Board recognizes the need to implement the required accounting and financial reporting standards stipulated by the Pennsylvania Department of Education.</p> <p>The primary objectives of implementing the GASB Statement 34 are to assure compliance with state requirements, and properly account for both the financial and economic resources of the District.</p> |
| <p>2. Authority SC 218</p> | <p>Participation of the District in any such activity shall be in accordance with Board policy.</p> |
| <p>3. Delegation of Responsibility</p> | <p>The responsibility to coordinate the compilation and preparation of all information necessary to implement this policy is delegated to the Business Manager.</p> <p>The designated individual shall be responsible for implementing the necessary procedures to establish and maintain a fixed asset inventory, including depreciation schedules. Depreciation shall be computed on a straight-line basis over the useful lives of the assets, using an averaging convention. Normal maintenance and repairs shall be charged to expense as incurred; major renewals and betterments that materially extend the life or increase the value of the asset shall be capitalized. A schedule of accumulated depreciation shall be consistent from year to year. The basis for depreciation, including groups of assets and useful lives, shall be in writing and submitted for review to the Board.</p> <p>The Business Manager shall prepare the required Management Discussion and Analysis (MD&A). The MD&A shall be in the form required by GASB Statement 34 and shall be submitted to the Board for approval, prior to publication.</p> <p>Prior to submission of the MD&A for Board approval, the District's independent auditors shall review the MD&A, in accordance with SAS No. 52, "Required Supplementary Information".</p> |

GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: TAXABLE FRINGE BENEFITS

ADOPTED: June 18, 2007

REVISED:

| 624. TAXABLE FRINGE BENEFITS | |
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| 1. Authority | It shall be the policy of the Board to comply with regulations of the Internal Revenue Service (IRS) regarding taxability of employee fringe benefits. |
| 2. Definitions | <p>Taxable fringe benefit - a form of pay, in addition to salary, for the performance of duties; taxable wages unless excluded by the Internal Revenue Code.</p> <p>Convenience of the district - where the personal use was in the best interest of the district.</p> <p>De minimis - an amount where either the cost of determining specific value exceeds the value of the use, or the actual cost of the use was negligible at the organizational level.</p> |
| 3. Delegation of Responsibility | <p>The Business Manager shall be responsible to develop administrative regulations requiring employees to verify use of district equipment for business purposes and to report any use or fringe benefits that may be taxable as compensation.</p> <p>The Business Manager shall report the value of taxable fringe benefits with the regular payroll for the payroll immediately following the determination of taxable fringe benefits.</p> <p>The Business Manager shall annually review the determinations of convenience of the district and de minimis amount to ensure compliance with federal regulations.</p> <p>The review may include discussions with the district auditor.</p> |
| 4. Guidelines | To the extent that a taxable fringe benefit value is provided as either convenience of the district or the amounts are classified as de minimis, the values may be excluded from taxation. |

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| <p>Pol. 717</p> <p>Pol. 331, 431, 531</p> <p>Pol. 813</p> | <p>Taxable fringe benefits are subject to:</p> <ol style="list-style-type: none">1. Federal Income Tax.2. Social Security Tax.3. Medicare Tax.4. Other applicable state or local taxes. <p>The employee verification process shall occur at least monthly prior to payment of bills.</p> <p>An employee has the option to reimburse the District for the value of services received. Where no reimbursement is received, the value of the services shall be treated as taxable compensation.</p> <p>Taxable fringe benefits include but are not limited to the following:</p> <ol style="list-style-type: none">1. Cellular telephone provided by District.2. District telephone.3. Vehicle provided by District.4. Expense reimbursement provided by District.5. Gift certificates.6. Group life insurance in excess of \$50,000.7. Laptop/Notebook computers.8. Personal use of District vehicle.9. Meal reimbursements for local travel/non-overnight stays.10. Uniforms. |
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References:

Internal Revenue Code – 26 U.S.C. Sec. 1 et seq.

Board Policy – 000, 331, 431, 531, 717, 813, 815

SECTION: FINANCES

TITLE: PROCUREMENT CARDS

ADOPTED: November 21, 2005

REVISED:

GOVERNOR MIFFLIN SCHOOL DISTRICT

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| <p>1. Authority SC 510</p> <p>2. Definition</p> <p>3. Delegation of Responsibility</p> <p>4. Guidelines</p> | <p style="text-align: center;">625. PROCUREMENT CARDS</p> <p>The Board approves the use of procurement cards for permissible purchases by designated employees to improve the efficiency of purchasing activities, reduce processing expenses, improve controls for small-dollar purchases, and streamline vendor payment. The Board directs the administration to establish safeguards to prevent misuse of such cards.</p> <p>The Board shall approve the list of employees authorized to use District procurement cards.</p> <p>The Board shall purchase adequate insurance coverage for procurement card misuse.</p> <p>Procurement card - a corporate charge card designed to reduce the cost and bureaucracy of small-dollar purchases.</p> <p>A list of authorized users of procurement cards shall be maintained in the business office and shall include employees in designated positions.</p> <p>All use of procurement cards shall be supervised and monitored on a regular basis by the Business Manager, who shall ensure the use of such cards is in accordance with the funds budgeted for this purpose.</p> <p>Proper accounting measures for the use of procurement cards shall be developed, distributed, implemented, and monitored by the Business Manager.</p> <p>An employee authorized to use a procurement card shall maintain adequate security of the card while it is in his/her possession. Under no circumstances may the card be used by another individual.</p> <p>Each employee using a District procurement card shall sign a card usage agreement and receive training on applicable policies and procedures.</p> <p>Procurement cards shall be used only for authorized District purchases and shall not be used for personal purchases. The District retains the authority to revoke any procurement card used for unauthorized or personal purposes.</p> |
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| <p>Pol. 317, 417, 517</p> | <p>Violations of this policy by an employee shall result in disciplinary action, in accordance with Board policy.</p> <p>The established procedure for processing purchases by employees using procurement cards shall be as follows:</p> <ol style="list-style-type: none"> 1. Employee deals directly with the vendor. 2. Business office receives the consolidated invoice for payment. 3. Cardholder verifies receipt of purchased items, reconciles the billing statement with purchases, and attaches receipts. 4. Supervisor reviews statement and signs approval. <p>Purchases on his/her assigned procurement card by an individual employee shall not exceed the following:</p> <p>Superintendent/Assistant Superintendent</p> <table data-bbox="548 1020 1308 1129"> <tr> <td>Single per Transaction Limit:</td> <td>\$4,000</td> </tr> <tr> <td>Transactions/Authorizations per Day:</td> <td>Every</td> </tr> <tr> <td>Billing Cycle (Monthly) Limit:</td> <td>None</td> </tr> </table> <p>Principals/Assistant Principals</p> <table data-bbox="548 1241 1308 1350"> <tr> <td>Single per Transaction Limit:</td> <td>\$4,000</td> </tr> <tr> <td>Transactions/Authorizations per Day:</td> <td>Every</td> </tr> <tr> <td>Billing Cycle (Monthly) Limit:</td> <td>None</td> </tr> </table> <p>Supervisors</p> <table data-bbox="548 1461 1308 1570"> <tr> <td>Single per Transaction Limit:</td> <td>\$4,000</td> </tr> <tr> <td>Transactions/Authorizations per Day:</td> <td>Every</td> </tr> <tr> <td>Billing Cycle (Monthly) Limit:</td> <td>None</td> </tr> </table> <p>Staff</p> <table data-bbox="548 1682 1495 1791"> <tr> <td>Single per Transaction Limit:</td> <td>TBD (but less than \$1,000)</td> </tr> <tr> <td>Transactions/Authorizations per Day:</td> <td>Every</td> </tr> <tr> <td>Billing Cycle (Monthly) Limit:</td> <td>TBD (but less than \$4,000)</td> </tr> </table> | Single per Transaction Limit: | \$4,000 | Transactions/Authorizations per Day: | Every | Billing Cycle (Monthly) Limit: | None | Single per Transaction Limit: | \$4,000 | Transactions/Authorizations per Day: | Every | Billing Cycle (Monthly) Limit: | None | Single per Transaction Limit: | \$4,000 | Transactions/Authorizations per Day: | Every | Billing Cycle (Monthly) Limit: | None | Single per Transaction Limit: | TBD (but less than \$1,000) | Transactions/Authorizations per Day: | Every | Billing Cycle (Monthly) Limit: | TBD (but less than \$4,000) |
| Single per Transaction Limit: | \$4,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| Transactions/Authorizations per Day: | Every | | | | | | | | | | | | | | | | | | | | | | | | |
| Billing Cycle (Monthly) Limit: | None | | | | | | | | | | | | | | | | | | | | | | | | |
| Single per Transaction Limit: | \$4,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| Transactions/Authorizations per Day: | Every | | | | | | | | | | | | | | | | | | | | | | | | |
| Billing Cycle (Monthly) Limit: | None | | | | | | | | | | | | | | | | | | | | | | | | |
| Single per Transaction Limit: | \$4,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| Transactions/Authorizations per Day: | Every | | | | | | | | | | | | | | | | | | | | | | | | |
| Billing Cycle (Monthly) Limit: | None | | | | | | | | | | | | | | | | | | | | | | | | |
| Single per Transaction Limit: | TBD (but less than \$1,000) | | | | | | | | | | | | | | | | | | | | | | | | |
| Transactions/Authorizations per Day: | Every | | | | | | | | | | | | | | | | | | | | | | | | |
| Billing Cycle (Monthly) Limit: | TBD (but less than \$4,000) | | | | | | | | | | | | | | | | | | | | | | | | |

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| <p>SC 751, 807.1 Pol. 610, 611</p> <p>SC 751, 807.1</p> <p>School Code 510, 751, 807.1</p> <p>Board Policy 317, 417, 517, 610, 611</p> | <p>The following supplies and services shall not be purchased with the Procurement Card:</p> <ol style="list-style-type: none"> 1. Personal items. 2. Cash advances. 3. Gas and oil products. 4. Items stocked in GVSD inventories. 5. Building repairs. 6. Telephone calls. 7. Capital equipment. 8. Medical services. 9. Legal services. 10. Cellular phone. 11. Gifts. 12. Federal or state-funded projects. 13. Any other restrictions that may be placed by the Business Manager. <p>Procurement cards shall not be used to circumvent the required bidding process. Purchases over \$4,000.00 shall require the use of a purchase order in accordance with established Board policy and procedures.</p> <p>Procurement cards shall not be used for purchases that could be anticipated at the beginning of the school year and would circumvent the required bidding process.</p> |
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GOVERNOR MIFFLIN SCHOOL DISTRICT

SECTION: FINANCES

TITLE: FEDERAL FISCAL
COMPLIANCE

ADOPTED: April 21, 2008

REVISED:

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| <p>1. Authority</p> <p>2. Delegation of Responsibility</p> | <p style="text-align: center;">626. FEDERAL FISCAL COMPLIANCE</p> <p>The Board shall review and approve all applications for federal funds submitted by the District.</p> <p>The Board designates the Federal Programs Coordinator, Assistant Superintendent or designee as the District contact for all federal programs and funding.</p> <p>The Superintendent or designee shall develop administrative regulations governing the procurement, use, management and disposal of goods, materials and equipment purchased with federal grant funds. At a minimum, the administrative regulations shall provide procedures to ensure:</p> <ol style="list-style-type: none"> 1. Expenditures of federal grant funds are completed in accordance with federal requirements. 2. Title to and control of location, custody and security of equipment and/or property purchased with federal funds are maintained. <p>The Business Manager shall track and document all federal programs expenditures and verify budgetary information required for those programs.</p> <p>All District employees paid with federal funds shall document the time they expend towards federal programs, in accordance with law.</p> <p>References:</p> <p>No Child Left Behind Act – 20 U.S.C. Sec. 6301-6514, 7901</p> <p>Board Policy – 000</p> <p>Administrative Regulation – 626-AR</p> |
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