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Appendix 1(1) thru 1(8)

SECTION 1 BOARD ORGANIZATION

1.1 SCOPE (November, 2022)

The board of education is a representative body elected by the registered voters of the Blue Springs School District. The board of education is responsible for the general oversight and supervision of the schools and educational programs of the district to ensure that the schools and programs of the district shall meet the requirements specified in the state and federal constitutions, in the legislative enactments, in the court decisions, and in the rules and regulations of the state department of education. The board shall exercise full legislative rule and management authority over the district as the local body given the exclusive legal authority to govern over the district. The official legal name is Reorganized School District No. 4 of Jackson County, Missouri.

The Board is responsible for the development of policies, rules and procedures to serve as guidelines for the general management and administrative actions of the district. The Board shall employ a superintendent to serve as the chief executive officer of the district. The Board shall delegate to the superintendent the executive and administrative duties and responsibilities necessary for carrying out its policies.

Rev. 9/01, 11/22

1.2 Functions of the Board of Education

1.21 Agency of the State (November, 2022)

The Missouri State Constitution mandates that the Missouri Legislature establish and maintain free public schools for the instruction of all persons not in excess of twenty-one years. The Missouri Legislature established public school districts as a political subdivision of the state to provide this free public education to all person between the ages of five and twenty-one years. This public school district falls into the class of seven-director districts and is governed by the laws for those districts.

Rev. 9/01, 11/22

**1.22 Responsibility of Providing Educational Opportunities
(November, 2022)**

The board of education was established by the legislature as the governing body with the responsibility of providing a constitutionally-mandated free public education. The Board is responsible for setting educational goals and programs to achieve those goals for the continued improvement of the education provided to its students. In achieving these goals and

1.2 (continued)

meeting the responsibilities, the board recognizes its chief functions are to determine policies and evaluate results.

Rev. 9/01, 11/22

1.23 **Individual Members** (November, 2022)

As an individual, a board member has no legal authority to bind the board since the law assigns powers, and duties, and responsibilities to the school board as a whole. Individual members of the board of education have power and authority only when acting formally as members of the board when it is in session or when entrusted by the board with specific and definite responsibilities. Individual board members should vote and act impartially for the good of the district and accept the will of the majority vote of the board.

The school district agrees that it shall defend, hold harmless, and indemnify the board of education members from any and all demands, claims, suits, actions, and legal proceedings brought against the board of education members in their official capacities regarding board related duties and responsibilities, provided the incident arose while the board member was acting within the scope of his/her elected position.

Rev. 9/01, 11/22

1.24 **Board Members' Expenses** (September, 2001)

It shall be the policy of the board of education to pay board members' expenses to state and national conventions when it is in the good interest of the school district.

When remuneration is provided under these guidelines, the district may advance monies to each person for expenses, providing advances made are settled within two weeks following the meeting, or future advances will be denied. The district may make payments directly to providers for major items of expense such as transportation, lodging and conference registration fees.

1.25 **Roberts Rules of Order** (November, 2022)

The meetings and deliberations of the board of education shall be governed by the latest edition of Roberts Rules of Order, where such rules do not conflict with federal, state or local laws or the policies, rules and regulations of the board of education.

Rev. 9/01, 11/22

1.2 (continued)

1.26 **Board Member Development Opportunities** (November, 2022)

In recognition of the need for continuing in-service training and development for its members and in order to enhance the quality and effectiveness of public school governance in our community, the board encourages the participation of its members in appropriate conferences, workshops, conventions and seminars. Planning sessions are an essential part of school board member development.

All board members shall complete at least one hour of refresher training each year of any term in office after the first year. The refresher training shall include, but not be limited to, the prevention of sexual abuse of children. (Sec. 162.203.3)

Funds for participation at such meetings will be budgeted for on an annual basis. Reimbursement to board members for their travel expenses will be in accordance with the travel expense policy.

The board president shall have the power to authorize board members to attend such meetings at board expense.

When an approved meeting is not attended by the full board, those who do participate will be requested to share information, recommendations and materials acquired at the meeting.

Rev. 7/1992, 11/2022

1.27 **Nepotism** (August, 1991)

The board shall not employ one of its members nor shall it employ any person who is related within the first degree to any board member, either by consanguinity or affinity.

The board shall not employ any person related to any board member from the second to the fourth degree, either by consanguinity or affinity, where the vote of the related board member is necessary to the selection of that person. Those relatives of a board member or board member's spouse affected by this provision shall be grandchildren; great-grandchildren; great-great-grandchildren; brothers and sisters; nephews and nieces; grandnephews and nieces; uncles and aunts; great uncles and aunts; grandparents; great-grandparents; great-great-grandparents; and first cousins.

1.2 (continued)

1.28 **Code of Ethics for Members of the Blue Springs Board of Education** (November, 2022)

While serving on the Blue Springs Board of Education members will accept the responsibility to improve public education. To do that they will:

Remember that the first and greatest concern must be the educational welfare of all students attending the public schools;

Obey the laws of Missouri and the United States;

Recognize that as an individual board member they have no authority to speak or act for the board;

Work with other members to establish effective board policies;

Delegate authority for the administration of the schools to the superintendent and staff;

Encourage ongoing communications among board members, the board, students, staff and the community;

Render all decisions based on the available facts and an independent judgment rather than succumbing to the influence of individuals or special interest groups;

Make every effort to attend all board meetings;
Become informed concerning the issues to be considered at each meeting;

Improve boardsmanship by studying educational issues and by participating in in-service programs;

Support the employment of staff members based on qualifications and not as a result of influence;

Cooperate with other board members and administrators to establish a system of regular and impartial evaluations of all staff;

Avoid conflicts of interest or the appearance thereof, including but not limited to the prohibitions set forth in RSMo 105.452, 105.454, 105.458, and 105.462;

Refrain from using board position for the benefit of self, family members, or business associates;

Express personal opinions, but once the board has acted, accept the will of the majority;

Refrain from divulging confidential information presented during closed sessions except when required by law;

1.2 (continued)

Maintain a process of regular and systematic assessment of the educational system in order to provide accountability for the school district.

Rev. 10/1996, 11/2022

1.3 **Annual Organization**

1.31 **Election of Directors** (November, 2022)

The qualified voters of the school district, shall annually, on the municipal election day, the first Tuesday after the first Monday of April, elect two directors, who are (1) citizens of the United States (162.291); (2) resident taxpayers of the district (162.291); (3) who shall have resided in this state for one year, next preceding their election or appointment (162.291); (4) who are at least twenty-four years of age (162.291); (5) who have never been found guilty of or pled guilty to a felony or misdemeanor under the federal laws of the United States or to a felony under the laws of this state or an offense committed in another state that would be considered a felony in this state.

(115.306); (6) who are not delinquent in the payment of any state income taxes, personal property taxes, municipal taxes or real property taxes on their place of residence (115.306); (7) who are not registered or required to be registered as a sex offender (162.014); and (8) who have filed all required campaign disclosure reports with the Missouri Ethics Commission (130.071), and shall hold their office for three years and until their successors are duly elected and qualified and all vacancies on the board shall be filled for the unexpired term. Sec. 162.291 (RSMo 1969) Two members shall be elected annually except at the first election after January 1, 1993, and each three years thereafter, three members of the school board shall be elected. Sec. 162.459 (RSMo 1992)

The opening date for filing a declaration of candidacy for the R-IV Board of Education shall be 8:00 a.m., the seventeenth Tuesday prior to the election, with the closing date for such filings, and the date for candidacy withdrawal, being 5:00 p.m., the fourteenth Tuesday prior to the election. The names of qualified candidates shall be placed on the ballot in order of filing. (Sec. 115.127 RSMo)

No election will be held if, after the last date of candidate filing, the number of candidates who have filed is equal to the number of positions for each office to be filled by the election unless the district

1.3 (continued)

has an issue on the ballot such as a bond or levy issue. If there is a ballot issue, the ballot shall include the names of the candidates even if the number who filed is equal to the number of open positions.

Rev. 9/03, 11/05, 11/22

1.32 **Organization of the Board of Education** (November, 2022)
The board shall meet within (14) days after the annual election. At that time, the newly elected members shall be qualified by taking the oath of office prescribed in Article VII, Section 11, of the Missouri Constitution. The board shall organize by the election of a president, vice-president, and fiscal vice-president. The board shall on or before the fifteenth day of July each year, elect a secretary and treasurer, who shall enter upon their respective duties on the fifteenth day of July; said secretary and treasurer may or may not be members of the board. (162.301) Any officer of the board may be removed from office for cause by a vote of two-thirds of the remaining members of the board.

Rev. 11/03, 4/15, 11/22

1.32.1 **New Board Member Orientation Program**
(November, 2022)
The board of education considers it important that a new member be knowledgeable about school finance, governance and operations, and, insofar as possible, prepared to discuss and cast informed votes on matters before the board from the time the new member is sworn into office. The board of education and the district staff shall assist each new member-elect to understand the board's functions and its policies and procedures.

The new board members shall meet with the president of the board along with each member of the board individually over a course of not more than six (6) weeks to discuss all aspects of being a member of the Blue Springs School District Board of Education. This will enable the new member to get acquainted with each board member personally in a one-on-one discussion and to be an informed participant in matters presently facing the board of education.

Topics covered will include but not be limited to explaining key parts of the board agenda,

1.3 (continued)

explaining work sessions, and communication with the superintendent, and incorporating board certification. The President of the Board of Education will assign a board member to act as mentor to newly elected members in their first year of service.

The superintendent (or designee) will introduce the new members to school district central office administrators of each department. At least one hour of time will be scheduled for the new members to visit with the head of each department to become familiar with the workings of each division of administrative services. The new member will also be scheduled to visit several of the school buildings and associated plant facilities. The Assistant Superintendent - Administration will provide the new members with a map of the Administrative Services office departments and schools as needed. At a minimum, the new members should tour the transportation center, one high school, one middle school, one elementary school, and Valley View High School.

Each new board member shall be given an orientation program under the direction of the superintendent. Included shall be an updated copy of the Policies and Procedures of the Blue Springs School District, the budget, the latest annual report, and such other documents, as the superintendent deems essential to the operations of the district. The superintendent shall set aside such time as is necessary to answer any questions arising from the study of these documents and shall cooperate fully in assisting the new member to become an informed and active board member.

Within one year of their election or appointment, new board members will complete at least 18.5 hours of orientation and training in a program presented by the Missouri School Boards Association or approved by the State Board of Education with the cost of the training to be paid by the district.
(162.203 RSMo)

Rev. 4/01, 11/22

1.3 (continued)

1.33 **Board Member Vacancy** (November, 2022)

The board president or acting president shall declare a vacancy on the board of education (based on the unique circumstances and timing of the vacancy) and may call a special meeting or meetings for the consideration of potential candidates to fill the Board Vacancy.

Any member of the board of education failing to attend three consecutive regular meetings of the board, unless excused by the board for reasons satisfactory to the board, shall be deemed to have vacated the position on the board. The secretary of the board shall certify to the board that a vacancy exists.

Whenever a vacancy occurs for any reason, the remaining members of the board by majority vote may fill the vacant position until the next annual board election. Any person selected to fill a vacancy must submit an affidavit attesting that they meet all the qualifications of a person filing for a board position as set out in Policy 1.31. If a vacancy occurs less than six (6) months prior to the next annual board election, the board may use its discretion to fill the vacancy.

Rev. 10/14, 8/17, 3/18, 11/22

1.34 **Duties of Officers**

1.34.1 **President** (November, 2022)

The duties of the president shall be as follows:

To preside when present at all board meetings.

To appoint special committees of the board when so ordered by the board.

To sign all minutes, warrant checks, and contracts approved and ordered by the board.

To call special meetings of the board.

To perform any other duty formally allocated to him/her by the board or by legislative enactment.

The president will participate in the audit exit conference with the audit committee.

Perform any other duty required by the board of education, by law, the Missouri State Board of Education, the Missouri Department of Elementary and Secondary Education.

Rev. 9/01, 4/15, 11/22

1.3 (continued)

- 1.34.2** **Vice-President** (April, 2015)
In the absence of the president or his/her refusal to act, the vice-president shall preside and shall fulfill the functions of the office of president.
- In the absence of the secretary, the vice-president shall fulfill the functions of the office of the secretary.
- Rev. 9/01, 4/15*
- 1.34.3** **Fiscal Vice-President** (November, 2022)
The fiscal vice-president will have fiduciary responsibilities to work with the treasurer to review, analyze, and report out financial information to the Board of Education.
- The fiscal vice-president will conduct a quarterly meeting with the treasurer to review expenditures prior to BOE presentation.
- The fiscal vice-president will participate in the audit exit conference with the audit committee.
- Rev. 4/15, 11/22*
- 1.34.4** **Secretary** (November, 2022)
The duties of the secretary shall be as follows:
- To keep, or delegate the responsibility of keeping, a complete and accurate record of all procedures of all regular and special meetings of the board of education and serve as the Custodian of Records.
- To post all notices as required by law or when duly ordered by the board.
- Implement the board member election process, including posting required notices, accepting filings and submitting candidate names to the election authority.
- Maintain the records of all board elections, including the election of board members and the results of all propositions submitted to voters.
- Administer oaths or affirmations unless the duty is delegated to another person by the board or by law.

1.3 (continued)

To issue all other reports and documents when duly ordered by the board or required by law.

To be present at all regular and special meetings of the board.

To sign all official documents, orders, and reports when required.

To receive official correspondence addressed to the secretary and make arrangements for placing it on the board agenda if board action is needed.

To delegate a person to officially keep legal custody of the seal of the district.

To call the meeting to order at which time a president pro tempore shall be chosen in the absence of both the president and vice-president.

Perform such additional duties or functions as may be required by law or authorized by the board directly or indirectly through the superintendent.

Rev. 12/03, 4/15, 11/22

1.34.5 Treasurer (November, 2022)

It shall be the duty of the treasurer, or designee, to:

Act as custodian of all school monies derived from taxation for school purposes. Monies received by the treasurer are to be deposited in the depository designated by the board as soon after receiving said money as possible.

Serve as custodian of all bonds and other securities belonging to the district;

Assist the board in choosing a depository for district funds;

Keep complete, accurate, and legal records of all monies collected and expended.

Pay out money by procedure outlined by the board of education and to delegate authority to an employee or employees of the district to release instruments of payment with facsimile signatures of the president and treasurer.

The treasurer, or designee, shall furnish to

1.3 (continued)

the Board of Education a listing of checks and electronic fund transfers over \$15,000. At the beginning of each month a statement of disbursements shall be provided to the board. At the end of the fiscal year a full and comprehensive report of the district's financial affairs for the preceding year shall be presented to the board. Sec. 165.101(RSMo 1969)

The treasurer shall review quarterly activity and provide analysis to be reported out at the board meeting by the fiscal vice-president.

The treasurer, or designee, shall furnish surety bond, as required by the board, the cost of the bond to be borne by the district.

The treasurer will oversee the annual external audit as well as coordinate the audit exit conference with the audit committee consisting of Board of Education president, fiscal vice president, and superintendent.

Perform such additional duties or functions as may be required by law or authorized by the board directly or indirectly through the superintendent.

Rev. 7/1997, 4/2015, 11/2022

1.4 Committees

1.41 Special Committees (November, 2022)

The president may develop special committees with the consent of the board and appoint members, employees, or others to serve on such committees. Committees must follow the instructions given to them by the board and may be terminated at any time by a majority vote of the board members when the purpose for which they were appointed has been fulfilled. If a board committee is required by state or federal law, its appointment, composition, and termination shall meet all guidelines established for that purpose.

Rev. 9/01, 11/22

1.5 Meetings (June, 2023)

The Board of Education of Reorganized School District No. 4 shall meet in regular meetings throughout the year to transact such business as deemed necessary for the smooth operation of the school district. Regular meetings of the board shall include the work

1.5 (continued)

sessions held on the first Monday of each month, the meeting held on the second Monday of each month, and any other special meetings.

Board members may participate in any meeting electronically by notifying the board president and superintendent as early as possible. The board president will take measures to verify the identity of any remotely located participants if necessary. The member shall be considered present and counted present for the purpose of establishing a quorum. Any board member participating electronically in a closed meeting will take measures necessary to ensure no other persons overhear the discussion and votes. In accordance with the law, board members participating electronically may only vote in roll call votes if they are participating by videoconference or another legal exception applies.

All regular meetings of the board shall be held at the Board of Education Building, 1801 NW Vesper, Blue Springs, Missouri, unless otherwise specified in the publicized notice of the meetings or unless cancelled and/or changed as to time and/or location and/or date by the board of education. The meeting on the second Monday of the month shall commence at 6:15 p.m. Work sessions shall commence at 6:00 p.m. However, following board consultation, work sessions may be cancelled in advance by the superintendent.

Public notice of the time, date, place and tentative agenda for each meeting will be posted as provided in RSMo 610.020. It shall be the duty of the board secretary to implement this policy.

All meetings of the board of education shall be open to the public and press, except closed sessions as authorized by law.

Rev. 8/03, 3/18, 12/18, 11/22, 6/23

1.51 **Community Engagement** (June, 2023)

A resident may have an item placed on the agenda of a public board work session only if the item is directly related to the governance or operation of the school district. Personnel issues including, but not limited to, employment, supervision, evaluation and termination of staff are not items directly related to governance or operation and are not appropriate as board agenda items.

Before an item is placed on the work session agenda, the resident requesting an agenda item must first meet with the superintendent or the superintendent's designee to attempt a resolution of the issue. The superintendent or the superintendent's designee shall meet with the resident within twenty business days of a written request to meet. After such meeting, or if the superintendent or the superintendent's designee does not meet with the resident within twenty business days, the resident may submit a

1.5 (continued)

written request to the board secretary to have the issue brought before the board as a work session agenda item. If the secretary receives the request at least five business days prior to the next regularly scheduled board work session, the issue shall be placed as an item on the agenda for such meeting. If the secretary receives the request less than five days before the next regularly scheduled board work session, the issue shall be placed as an item on the agenda for the next subsequent regular board work session. An agenda item may be moved to a different work session with the consent of the resident requesting the agenda item.

The board may refuse to hear or delay hearing an agenda item if the board has heard an identical or substantially similar issue in the previous three calendar months or if the resident has previously violated district rules regarding conduct at meetings or on school property. The board may delay hearing an agenda item if more than three resident-initiated agenda items are scheduled for the same board work session. If the hearing of a resident's agenda item is delayed, the board shall provide the resident with an alternate method of communicating to the school board regarding the agenda item.

A five (5) minute limit has been established for all residents who have an item on the work session agenda. If another resident wants to speak on the same agenda item, the resident must complete the Guidelines for Public Comment form and submit it to the board secretary at least five (5) days before the board work session which contains the agenda item. A maximum of four (4) speakers may be allowed per agenda item. Speakers will not be permitted to participate in gossip, make defamatory comments, or use abusive or vulgar language. The president of the Board has the option to stop the proceedings at any time. Comments made will not be made part of any official minutes of the meeting and no response will be given from the Board to presentations made.

1.52 **Release of Information** (November, 2022)

The Blue Springs R-IV School District believes that local control of public education is best served when the patrons of the district and other members of the public have access to the meetings, records and votes of the board of education. Access to meetings, records and votes shall only be provided as per RSMo 610.021-610.026. RSMo 610.010 excludes from public record any internal memorandum or letter received or prepared by or

1.5 (continued)

on behalf of a member of a public governmental body consisting of advice, opinions and recommendations in connection with the deliberative decision-making process of the board, unless such records are retained by the public governmental body or presented at a public meeting. The following is a summary of provisions relevant to the release of information concerning the meetings, records and votes of the board.

1. In limited situations, important considerations of public policy require meetings of the board, including any record or vote, to be closed to the public. Section 610.021 governs the closing of meetings, records, and votes.
2. The board shall appoint a custodian of records who will be responsible for responding to requests for records of the board. Requests for records should be directed to the custodian, whose identity will be made available on request. (610.023)
3. The custodian of the records of the Blue Springs R-IV School District shall be the secretary of the board of education and shall:
 - (1) Respond to each request for inspection or copying as soon as possible, but no later than 72 hours following the date the request is received by the custodian, the 72-hour requirement may be exceeded for reasonable cause; if a public record contains material which is not exempt from disclosure as well as material which is exempt from disclosure, the custodian shall separate the exempt and nonexempt material and make the nonexempt material available for examination and copying.
 - (2) Give a detailed explanation of the cause for delay and the place and earliest time and date the record will be available if access is not granted immediately; and
 - (3) If access is denied, upon request provide a written statement of specific statutory grounds for such denial no later than 72 hours following the date that the request for the statement is received.
4. Subject to 610.026, the board may prescribe reasonable fees for providing access to or furnishing copies of public records, subject to the following:

1.5 (continued)

- (1) Copying fees shall not exceed actual costs of document search and duplication. Copies may be furnished free or at a reduced rate if the board determines that it is in the public interest because it is likely to contribute to public understanding of the operations or activities of the district and is not primarily based on commercial interests;
 - (2) Fees for providing access to computer records, tapes, discs, videos, films or similar items shall include only the cost of staff time and the cost of the disk, tape, or other medium used for the duplication; and
 - (3) Copy fees may be requested prior to copying.
5. If a Board member or a member of a district committee subject to the Missouri Sunshine Law transmits any message to enough members that, when counting the sender, a majority of the Board or committee members receive the message, the message shall also be concurrently transmitted to the custodian of records or the member's district office computer, if applicable, in the same format. The message shall be considered an open record unless it is a closed record in accordance with law.

Rev. 10/1998, 11/2022

1.6 Procedure

1.61 Quorum (November, 2022)

A quorum shall consist of a majority of the board of education for the transaction of business, meeting at the designated time and place. (162.301.3)

Rev. 9/01, 11/22

1.62 Majority Vote (September, 2001)

In accordance with RSMo 162.301.3, no contract shall be let, teacher employed, bill approved, or warrant ordered unless a majority of the whole board shall vote in favor of such action.

1.63 Recommended Agenda (September, 2012)

The following items of business will be considered if the need exists. The order of consideration and additional items shall be at the discretion of the superintendent, secretary and/or board of education:

- (1) Call to Order, Pledge of Allegiance and Roll Call
- (2) Remarks by Board Members

1.6 (continued)

- (3) Superintendent's Update
- (4) Approval of Consent Agenda (Including Minutes & Bills)
- (5) Adoption of Regular Agenda
- (6) Guests
- (7) Report of Superintendent
- (8) Administrative Accountability
- (9) Unfinished Business
- (10) New Business

1.64 **Executive Sessions** (November, 2022)

The board reserves the right, as provided by Section 610.021 as amended or other law, to conduct closed meetings, records, or votes.

Before any meeting, record, or vote of the board may be closed, a majority of a quorum of the board shall so vote in open session. The reason for holding the closed meeting, record, or vote with reference to the specific statutory exemption relied on for closure and the roll call vote of each member on the question of holding a closed meeting, record or vote, shall be announced publicly at an open session and entered into the minutes. All votes taken during a closed meeting shall be taken by roll call. Only business directly related to the specific exemptions may be discussed or voted at a closed meeting. Public notice of the closed meeting, record, or vote shall be posted as provided in RSMo 610.020. The notice shall include the specific statutory exception under which the meeting will be closed, and the agenda shall include the closed session.

A separate minute book used solely for the purpose of executive sessions shall be used to record the minutes. Under such circumstances, the board members and others in attendance are honor-bound not to disclose the details or discussions of the executive session.

The superintendent or designated representative shall attend all executive sessions except those pertaining to the superintendent's employment. Closed meetings may be attended by district employees or others as needed at the discretion of the board. Board members, superintendent, employees, and others at attendance are legally obligated not to disclose the details of discussions of the closed meetings, records, or votes or any other information that is deemed confidential by law, board policy or district procedures. Board members

1.6 (continued)

who violate confidentiality may be subject to disciplinary action by the board. Employees who violate confidentiality may be disciplined or terminated.

Rev. 10/1998, 11/2022

1.65 **Lifetime Passes** (November, 2022)

All former school board members shall receive a lifetime free pass to all school activities for the services they have rendered as school board members.

Rev. 9/01, 11/22

1.7 **Policies of the Board of Education**

1.71 **Policy Adoption and Distribution** (November, 2022)

The board shall be responsible for the development, adoption, and revision of written policies for the governing and administration of the district. The policies of the Blue Springs Board of Education shall be available to employees through the internet. Every employee of the school district shall be provided information at the time of employment regarding procedures to be used to access these policies and acknowledge receipt of the same.

Rev. 1/10, 11/22

1.72 **Policy Review** (November, 2022)

The board of education, as a whole, will review and revise policy sections, or specific policies, on an ongoing, and as needed basis to ensure that the policies are current and in compliance with the most recent federal and state statutes, regulations, and court decisions.

The board of education welcomes suggested policy revisions from the site-based councils, departments, staff members, administrators, students, parents and patrons. Such policy revision recommendations may be made by submitting the revision to the secretary of the board of education on the prescribed form. **See Appendix 1(1)** Any suggested revisions will be presented to the board of education for consideration. Upon adoption of new or revised policies, notification shall be provided as necessary to district staff.

Rev. 9/01, 11/22

1.73 **Amendments** (November, 2022)

School District policies may be altered or amended at any regular meeting by a majority vote of the board, provided that notice of the proposed policy amendment shall have been given at the prior meeting and made a

1.7 (continued)

part of the minutes of said meeting or provided a written notice of the proposed amendment is mailed to each board member through the superintendent's office at least ten (10) days before a regular meeting or a legally called special meeting except in cases where the public morale, health, safety or interest may make a shorter time reasonable.

Rev. 9/01, 11/22

1.8 **Budget** (December, 2022)

The Board designates the superintendent or designee to serve as the budget officer of the district. As budget officer, the superintendent or designee will direct the planning and preparation of the budget and will submit it to the Board for approval. Before creating the budget, the superintendent or designee will consider the priorities established by the Board and seek input from appropriate persons regarding the needs of the district. The superintendent or designee will present to the Board a preliminary budget proposal for the following year no later than June 30th. The superintendent or designee will make revisions as directed by the Board and will present the final budget proposal generally at the November board work session or such other time as requested by the board. If at the beginning of any fiscal year the board has not approved or adopted a preliminary budget, the budget for the preceding fiscal year shall be deemed to be approved and reappropriated until the budget for the current fiscal year is approved or adopted.

The annual budget document shall present a completed financial plan for the ensuing fiscal year and shall include at least the following statutory requirements:

1. A budget message describing the important features of the budget and major changes from the preceding year.
2. Estimated revenues to be received from all sources for the fiscal year, with a comparative statement of actual or estimated revenues for the two years immediately preceding, itemized by year, fund and source.
3. Proposed expenditures for each department, office and other classification for the budget year, together with a comparative statement of actual or estimated expenditures for the two years immediately preceding, itemized by year, fund, activity and object.
4. The amount required for the payment of interest, amortization, and redemption charges on the debt of the school district.
5. A general budget summary.

Rev. 5/1990, 12/2022

1.8 (continued)

1.81 Building Budgets (December, 2022)

Each building is to develop a budget on a yearly basis for the operation of its instructional program. The budget is a cooperative venture between the staff and the building principal. Budget requests will be prioritized and purchases made according to the following criteria:

1. Relates to building instructional goals.
2. Creates quality student outcomes.
3. Promotes thinking, problem solving, and concrete experiences.
4. Other criteria established by the principal.

1.9 Financial Accounting

1.91 Fiscal Accounting and Reporting/Accounting System (April, 2024)

The superintendent shall be responsible for implementing the financial accounting system adopted by the board. The fiscal year is defined as beginning annually on the first day of July and ending on the thirtieth day of June following. The district's accounting system will provide an accurate record of all financial transactions completed by the district. The accounting system shall conform to requirements established by state statutes and regulations of the Missouri Department of Elementary and Secondary Education, and as modified by the Missouri Financial Accounting Manual, Revised. The district treasurer shall not draw any check or issue any order for payment that is in excess of the income and encumbered revenue of the school district for the fiscal year beginning on the first day of July and ending on the thirtieth day of June following.

The superintendent, or designee, shall be responsible for receiving and properly accounting for all funds of the school district. As specified in state law, the board of education shall establish funds for the accounting of all school moneys in the district. The treasurer of the district shall open an account for each fund, and all moneys received by the district shall be deposited in the appropriate fund account. All financial transactions shall be recorded in the revenue and expenditure records, and appropriate entries from the adopted budget shall be made in the records for the respective funds.

All receipts, including student activity funds, shall be deposited in the school district account as provided by law. There shall be no separate accounts of any organization, individual, or department for funds collected or received in connection with any school activity or program.

The board shall receive quarterly financial statements from the superintendent, or designee, showing the financial condition of the district. In addition, other financial statements determined necessary by either the board or the

1.9 (continued)

superintendent shall be presented to the board for review. The superintendent or designee shall also be responsible for pupil-related accounting and shall file enrollment, attendance, food service and transportation reports as required by the Missouri Department of Elementary and Secondary Education.

Rev. 5/1999, 12/2022, 4/2024

1.92 Purchasing (December, 2022)

The purpose of this policy and any related administrative procedures is to ensure that all purchases of supplies, equipment and services are made in compliance with state and federal law and good business practices. The Board recognizes the importance of a sound fiscal management program and expects district staff to maximize the resources available for the district's educational program and to be good stewards of public funds by exercising fair, competitive purchasing practices. The district will respect its financial obligations and will also require that providers meet their obligations to provide quality products and services in a timely manner to the district. All purchasing will be conducted in a manner that provides full and open competition consistent with the standards of state and federal law.

All funds deposited with the district, regardless of source, are considered district funds and are subject to this policy. No contract will be entered into or bill paid without the proper documentation, signed by the person authorized by the board, and without an affirmative vote from a majority of the whole Board. No unbudgeted purchase will be made without prior Board approval unless this policy's emergency provisions are applicable.

The Board encourages district staff to purchase products manufactured, assembled, or produced in the United States.

1.92.1 Purchase Orders (December, 2022)

Purchasing of supplies and materials shall be made on the basis of a written purchase order signed by the assistant superintendent in charge of business or designee. The district shall not be liable for purchases made in any other manner.

Individuals or vendors shall be prohibited from selling items on school property without prior approval of an administrator.

Procedures for the use of electronic generated purchase orders shall be designated by the business office. All payment authorizations for purchase shall be signed by the assistant superintendent in charge of business or his/her designee.

Rev. 3/03, 9/22

1.9 (continued)

1.92.2 **Competitive Bids-Supplies, Equipment, or Services**

(November, 2021)

All contracts for the construction of facilities (see 1.92.2.1), textbooks (see 1.92.2.2) and insurance, bank depository services (165.211 RSMo) and other products or services shall be bid as required by law and as specified in board policies.

Contracts/Purchases/Services up to \$10,000 - No bids are required to contract for the purchase of supplies, equipment, or services up to \$10,000.

Contracts/Purchases/Services over \$10,000 - At least three (3) written bids shall be obtained where the amount estimated to contract for the purchase of supplies, equipment, or services is over \$10,000.

Approval of Bids - For bids \$10,000 to \$15,000, the superintendent or his/her designee is authorized to approve and accept bids. If bids exceed \$15,000, the bids shall be submitted to the board for review and approval at the next regular meeting.

Emergency Situations - In emergency situations where the superintendent determines that there is an immediate concern, he/she may contract to purchase supplies, equipment or services to address emergency situations without obtaining bids. The superintendent shall obtain the approval of the board president, or other officer if the president is unavailable, prior to contracting for the purchase of supplies, equipment or services to address emergency situations.

Specifications and Bids - Bid specifications shall state the date, time, and place at which particular bids will be opened. Bids calling for a given manufacturer's item by catalog or model number shall expressly state that item or its approved equal. Bids shall be awarded to the lowest and best responsible bidder complying with the terms of the specifications, provided however that the school district shall have the right to reject any and all bids. All specifications, bidding and notifications to successful bidders shall be prepared by the business office as authorized by the director or assistant superintendent of the office.

Local Merchants and Bids - Local merchants will be

1.9 (continued)

given preference if a local merchant is not the low bidder, but his/her bid is within five percent (5%) of the low bid. A local merchant is defined as one with a business or a branch of his/her business located within the boundaries of the R-IV School District. The local merchant with the lowest bid within the five percent (5%) range will be given the opportunity to match the low bid provided the quality of the product or service is equal to the specifications. If this local merchant declines the opportunity to match the low bid, the next lowest local merchant within the five percent (5%) range will have the option to match the low bid. This procedure will continue with each local merchant until one chooses to match the bid or until all have declined the opportunity. The procedure shall apply to bids under the amount of \$25,000.

Cooperative Purchasing - The Board endorses the concept of centralized purchasing and authorizes the superintendent or designee to supervise the purchasing of all supplies, equipment and materials for the school district in accordance with state law and good purchasing practices.

Cooperative purchasing through state agencies, in combination with other schools through the Missouri School Boards' Association or other not-for-profit entities may be considered when it is deemed to be in the financial advantage of the school district. (171.181, 393.310 RSMo)

The Board may utilize a program or programs from time to time to purchase services or supplies on a bulk basis or pursuant to a procurement program that includes the use of electronic or commercial card systems with a goal toward increasing efficiency and reducing administrative costs. The superintendent or designee shall develop, as part of the district's purchasing procedures and guidelines, a procedure or guideline for the use and implementation of electronic, commercial or procurement card programs.

Rev. 3/03, 1/06, 5/18, 12/21

1.92.2.1 Competitive Bids - Construction

(December, 2022)

Authorization for the construction of facilities that exceeds \$50,000 shall publicly be advertised as per 177.086,

1.9 (continued)

RSMo 1965 as amended, and having properly followed the law, the board, in the exercise of sound discretion, may reject any and all bids and may proceed with construction under its own supervision and control without contracting. Items used in construction must be bid in accordance with section 1.92.2, Competitive Bids.

A responsible bidder is one who has the capability and the willingness, including not only cash and equipment, but also the reputation necessary to bring about project completion. The architect and/or superintendent have the authority to determine responsibility of each bidder on a project.

Rev. 11/03, 12/22

1.92.2.2 Purchase of Textbooks (September, 2001)
Purchasing of textbooks shall be conducted in accordance with the textbook selection procedures approved by the board as shown in policy 5.11. This purchasing decision relies on the educational evaluation of the quality of the instructional textbook as determined by the professional teaching staff.

Publishers are required to meet the statutory requirements and bond requirements under sections 170.016 through 170.161 of the Revised Statutes of the State of Missouri. No textbook publisher shall charge the Blue Springs R-IV School District a higher price for books than is paid by any other school district in the state, or in any other state purchasing textbooks in the open market.

1.92.3 Purchase Preference (December, 2022)
In making purchases the school board, officers or employees of the R-IV School District of Jackson County, Missouri, shall give preference to all commodities manufactured, mined, produced, or grown within the state, and to all firms, corporations or individuals doing business as Missouri firms,

1.9 (continued)

corporations, or individuals when quality and price are approximately the same; provided, however, that any board member, officer, or employee of a seven-director school district, any portion of which is located in a first class county, selling or providing such commodities to the school district is prohibited. (171.181 RSMo as amended)

When contracting for any job or service, the district will give preference to Missouri businesses, or businesses that maintain Missouri offices or places of business, when the quality of performance promised is equal to or better than and the price quoted is the same as or less than that of the other responsive providers. (34.073, RSMo as amended). In addition, When contracting for any job or service, the district will give a three-point bonus preference to service-disabled veteran businesses that are Missouri businesses or businesses that maintain Missouri offices or places of business. (34.074, RSMo as amended).

Rev. 9/01, 11/03, 1/06, 12/22

1.92.4 Purchase of Non-Academically Related Items

(September, 2001)

Bidding of articles that are sold by the school or through the school which are non-academically related (i.e., yearbooks, class rings, money making projects, etc.) will be left to the discretion of the superintendent of schools, or his/her designee. If the superintendent, or his/her designee, determines that articles of this nature should be bid, the specifications will be submitted through the business office and handled as outlined in section 1.92.2.

1.92.5 Supplies, Equipment or Services Purchased With Federal Monies (January, 2006)

Supplies, equipment or services purchased with federal monies shall be exempt from the bidding process under policy 1.92.2 when the following conditions exist:

- (1) the time period in which these monies are available precludes competitive bidding,
- (2) purchases made under this policy do not exceed \$15,000.00,

1.9 (continued)

- (3) purchases made under this policy are approved in advance by the Department of Elementary and Secondary Education,
- (4) purchases made under this policy are approved by the superintendent of schools.

A report of purchases made under this policy will be made to the board of education.

Rev. 9/01, 1/06

1.92.6 Purchasing Cards (December, 2022)

Authorized district employees and Board members may use credit cards or purchasing cards issued to the district to make purchases for the district or pay for reasonable travel expenses incurred when performing official duties. Employees and Board members will not use these cards to circumvent the bidding and purchasing requirements established by law and Board policy. All purchases made using district cards must be attributed to the appropriate budget code and must conform to the Board-adopted budget. District cards will not be used to purchase personal items, unauthorized items, or items that do not benefit the district.

The superintendent or designee will review and revise the list of persons receiving district cards and the limitations on those cards. The review will ensure that only the employees who appropriately utilize the cards have access to them and that the limitations on the cards do not exceed the amounts of the projected expenditures to be made with the cards.

Any employee using a district card shall sign a card usage agreement and will receive training on applicable procedures for card use. District employees and Board members issued a card must provide documentation, such as receipts and applicable budget codes, justifying expenditures. All documentation will be reviewed by the superintendent or designee prior to payment. If any purchase was made contrary to law, board policy or administrative procedures, or was inadequately documented, the superintendent or designee shall be notified and the card immediately confiscated.

1.9 (continued)

All employees issued a district card must take all reasonable measures to protect the cards against damage, loss, theft, or misuse. Any damage, loss, theft, or misuse of the card must be reported to the superintendent or designee immediately. No person may use the card other than the authorized employee to whom the card was issued. District employees will surrender all cards along with current receipts upon completion or termination of their employment or term with the district or upon demand by the district.

1.92.7 Receiving Services (December, 2022)

In general, a service provider will be paid only after the employee who requested the service verifies that the service has been rendered in accordance with the specifications. Exceptions may be made for purchases such as membership dues, registration fees, and travel expenses such as airline tickets. Employees will contact the purchasing officer if there are concerns regarding the quality of the service provided or if the service is not completed in a timely manner.

1.93 Method of Payment of Bills (March, 2003)

Invoices that are received and certified as complete by the person originating the order will be placed in the bill paying process. Check runs will be conducted weekly and any exceptions to the schedule will be communicated from the business office. Check registers will be presented to the board at the following meeting for approval. All bills, invoices or statements considered for payment by the board shall be addressed to: Blue Springs R-IV Board of Education, 1801 NW Vesper Street, Blue Springs, MO 64015.

1.94 Investment Policy (December, 2022)

The board authorizes and appoints the superintendent or designee as the finance officer of the school district to invest surplus school district moneys that are determined as not being needed within a reasonable period of time for the operation of the district. The finance officer shall follow procedures adopted by the board in making investments and obtaining the best interest rates reasonably attainable. Collateralized investments will comply with the requirements of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989.

See Appendix 1(3) through 1(9).

Rev. 5/1999, 12/2022

1.9 (continued)

1.95 Fund Balance Policy (June, 2011)

The Blue Springs R-IV School District complies with the Governmental Accounting Standards Board Statement No. 54 (GASB 54) which establishes criteria for classifying fund balances and clarifies definitions for governmental fund types.

GASB 54 establishes five fund balance categories:

- 1. Non-spendable** Fund Balance consists of funds that cannot be spent due to their form (e.g., inventories and pre-pays) or funds that legally or contractually must be maintained intact.
- 2. Restricted Fund Balance** consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation (e.g. Special Revenue [Teacher's] Fund, Debt Service Fund, and Bond Issues).
- 3. Committed Fund Balance** consists of funds that are set aside for a specific purpose by the District's highest level of decision making authority. Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- 4. Assigned Fund Balance** consists of funds that are set aside with the intent to be used for a specific purpose by the District's highest level of decision making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance (e.g. Student Activity Funds, Child Nutrition Services Funds, Community Education Funds, Capital Projects Fund, and any General Fund amounts used to cover a budget deficit).
- 5. Unassigned Fund Balance** consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

Actions Leading to Restricted, Committed, and Assigned Fund Balances

The Board of Education has the authority to set aside funds for a specific purpose. Commitments are authorized by formal Board resolution. The passage of a resolution must take place prior to June 30th of the applicable fiscal year. If the actual amount of the commitment is not available by June 30, the resolution must state the process or formula necessary to

1.9 (continued)

calculate the actual amount as soon as information is available. Assignments are authorized by fund placement in the Special Revenue, Capital Projects and Debt Service funds in the original adopted and later revised budget.

Upon adoption of a budget where fund balance is used as a source to balance the budget, the Chief Financial Officer shall record the amount as Assigned Fund Balance.

The Board delegates the authority to assign amounts for specific purpose(s) to the Chief Financial Officer.

Order of Spending

For all funds except the Debt Service Fund, when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

Governmental Fund Types

It is the District's expectation that substantial sources of revenue for the Teachers Fund will always be transfers from the general fund and the portion of state basic formula and Proposition C sales tax required by law. In addition, state rules for public school finance require that this fund be used to account for revenue sources legally restricted to expenditures for the purpose of teachers' salaries and benefits and tuition payments to other school districts. The Board elects to treat the Teachers Fund as a special revenue fund, and a major fund, in the financial statements.

Minimum Unrestricted Fund Balance

The Board recognizes that the maintenance of a fund balance is essential to provide for unforeseen expenses or emergencies and to provide working capital in the first several months of the fiscal year, until sufficient revenues are available to fund operations. By maintaining an appropriate fund balance, the District can avoid excessive short term borrowing and the associated interest expense, accumulate sufficient assets to make designated purchases or cover unforeseen expenditure needs, and demonstrate financial stability necessary to preserve or enhance its bond rating, thereby lowering debt issuance costs.

The undesignated fund balance in the operating funds will be maintained at a level sufficient to provide the resources required to meet operating cost needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustment to changes resulting from fluctuations of revenue sources.

1.9 (continued)

1.95.1 Prohibited Expenditures (December, 2022)

No contribution or expenditure of public funds shall be made directly by any board member, officer, employee, or agent of the district to advocate, support, or oppose the passage or defeat of any ballot measure or the nomination or election of any candidate for public office, or to direct any public funds to, or pay any debts or obligations of, any committee supporting or opposing such ballot measures or candidates. This prohibition is not limited to money. Use of district resources including but not limited to, district phones, copiers, computers, or staff time is also considered the expenditure of district funds. This shall not be construed to prohibit any board member or administrators of the district from making public appearances or from issuing press releases concerning any such ballot measure.
(115.646 as amended)

1.96 Audits (December, 2022)

The district will retain an independent auditor at the close of each fiscal year for the purpose of auditing and making necessary reports to the board, the Missouri Department of Elementary and Secondary Education (DESE) and the federal government. The Board directs all district employees to cooperate with and assist the auditor so that the Board may obtain a fair and accurate report. The cost of the audit and reports shall be paid from the incidental fund of the district.

The board will procure the services of the independent auditor by competitive bid. The independent auditor must hold a current permit to practice public accounting in the state of Missouri and meet the requirements for continuing education and peer review as defined by the Missouri State Board of Accountancy and *Government Auditing Standards*. The district will request a copy of the audit organization's peer review report. The independent auditor cannot be suspended or debarred from doing business with the state or federal government. All subcontractors must also meet these requirements.

All requests for audit services will clearly identify the scope of the audit. The audit shall be made in accordance with generally accepted auditing standards, government auditing standards, federal audit standards, and DESE audit guidelines. Minimally, the audit will include the district's General, Special Revenue, Debt Service and Capital Projects funds; fiduciary funds; proprietary funds; and component

1.9 (continued)

units, unless a component unit issues its own audited financial statements. All financial, transportation, food service and attendance records of the district will be audited in accordance with state law. The audit will include reviews and tests of the accounting system, books and records, and other underlying data as necessary to reach an informed opinion on the financial affairs of the district.

The auditor will give an opinion on the fairness of presentation of the district's financial statements and will review the financial operations systems of internal control and compliance with law. The board may expand the scope of the audit to include an examination of a specific district program, fund or process or to require a more comprehensive audit than is required by law.

The district will conduct audits of federal awards and federal funds as directed by the board and in accordance with law and the requirements of the agency awarding the funding.

The audit report shall meet the requirements of state and federal law. The independent auditor shall provide a copy of the audit report to each member of the Board and the superintendent. Once the audit report is final, the Board will vote by motion or resolution to approve the audit report, and the Board secretary will sign a copy of the final approved motion or resolution verifying that the final report has been approved. The Board delegates to the superintendent or designee the responsibility for transmitting to DESE on behalf of the Board a copy of the final audit report, the related management letter if prepared by the auditor, and a copy of the final, approved and signed Board minutes or Board resolution approving the audit report. These materials must be submitted electronically in the manner directed by DESE no later than December 31 each year.

The final audit report is an open record, and any member of the public may request to inspect or copy the report.

Confidential and privileged communications between the district and its auditor, including all auditor work product, are closed to the extent permitted by law. Within 30 days of receipt of the final audit report, the superintendent or designee, on behalf of the Board, shall prepare a summary of the report and publish it in a qualifying newspaper or by other means allowed by law. The publication shall state that the audit report is available in the superintendent's office for inspection.

All recommendations of the auditor will be taken seriously and will be implemented as appropriate. The superintendent or designee is directed to resolve any questions or

1.9 (continued)

discrepancies disclosed by the audit and must provide a full report of the resolution to the Board.

If the district receives an audit with a disclaimer of opinion, the district shall institute corrective measures immediately to ensure that subsequent audits do not contain a disclaimer. If fraud or embezzlement is discovered during the course of an audit, the superintendent or designee will notify DESE. If the superintendent or designee is implicated in the suspected fraud or embezzlement, the Board president will notify DESE.

1.97 Tax Rates and Borrowing Authority (December, 2022)

The School District will annually set the tax rate after first notifying the public and conducting at least one public hearing. Notice of the hearing will be given by publication in a newspaper of general circulation or by posting such notice in at least three public places within the district. A "public place" as used in this policy is a place regularly open for public use, a place that would be likely to attract attention so that the content of the notice becomes widely known or a place with a likelihood that the notice will be seen by the public. The district will publish or post the notice at least seven days prior to the hearing, and the notice will include the:

1. Date, time and place of the hearing.
2. Assessed valuation by category of real, personal and other tangible property in the district for the fiscal year for which the tax is to be levied and the preceding tax year.
3. Amount of revenue required to be provided from the property tax as set forth in the adopted annual budget for each rate levied.
4. Tax rates proposed to be set for the various purposes of taxation.
5. Increase in tax revenue due to an increase in assessed value as a result of new construction and improvement.
6. Increase, both in dollar value and percentage, in tax revenue as a result of reassessment if the proposed tax rate is adopted.

Tax Rate Hearing

The superintendent or designee will provide the Board the same information included in the tax rate hearing notice prior to the tax rate hearing. The tax rate hearing will include an opportunity for citizens to speak before the Board. The Board will set the tax rate after the hearing. The tax rate will be calculated to produce substantially the same revenues as required in the annual budget. The Board will have sole authority in determining what part of the

1.9 (continued)

total authorized rate shall be used to provide revenue for each of the funds.

Borrowing Authority

The Board may borrow money in anticipation of collection of taxes for the purpose of securing funds for school operations, including the debt service fund. Issuance of all tax and revenue anticipation notes requires approval of the majority of the members of the Board. The notes may be issued at any time in any year, and the aggregate outstanding principal amount of the notes issued in one year for any fund shall not exceed the amount of the Board's estimate of the year's requirement for the fund. The notes shall be payable within 12 months from date of issuance.

Bonded Indebtedness

The Board may authorize the sale of bonds by adoption of a resolution. Bonds will be issued in accordance with law and compliance procedures implemented by the district. Bond proceeds may be used only for the purposes set forth in the bond resolution and as allowed by law. The Board of Education has a bonded indebtedness limit of 15 percent of the value of taxable tangible property as shown by the last completed assessment for state and county purposes.

1.98 Authorized Signatures

The board takes its legal and financial responsibilities seriously. The superintendent or designee is directed to create internal controls to ensure that contracts, checks and other official documents are accurate, authorized and signed by the appropriate persons and that necessary actions are taken to prevent mistakes, fraud, embezzlement and district liability.

In general, the superintendent or designee may sign documents on behalf of the district or the board as long as the document is accurate, has been adequately approved by the board when necessary and is in the best interest of the district. However, when the law or board policy requires others to sign documents on behalf of the board or the district, those persons are the only persons who may sign the document.

1. General Contracts: A contract is a binding, written agreement between the district and an individual or entity. In accordance with law, a contract with the district must be approved by a majority of the whole board. After the board has approved the contract, the board president, board secretary and superintendent or superintendent's designee have the authority to sign the contract on behalf of the district unless state or federal law requires a specific person to do so.

1.9 (continued)

2. **Employment Contracts:** In accordance with law, a contract and the employment of a person must be approved by a majority of the whole board. In addition, employment contracts for certificated personnel must be signed by the board president and attested to by the board secretary.
3. **Checks:** Once bills are approved, the president and treasurer of the Board shall sign all checks issued by the school district. The Board strictly prohibits any person from signing a blank check.
4. **Grants:** Unless otherwise specified in the federal or state grant or contract, the superintendent or designee has the authority to sign necessary assurances and compliance documents on behalf of the Board. Before signing, the superintendent or designee will verify that the assurances and documents are accurate. All documents will be made available to the Board upon the request of any Board member.
5. **Construction Change Orders:** The person(s) designated by the Board as the district's personal representative(s) may sign change orders.
6. **Real Estate Transactions:** Once approved by the Board with the requisite vote, the lease or deed of conveyance for district real estate will be executed by the Board president and attested by the Board secretary. If the district has a seal, it will be affixed to the deed or lease.

The board authorizes the use of facsimile signatures, such as those produced with signature stamps or a signature machine, on checks, other instruments of payment, contracts and other documents requiring district authorization by signature. However, before a facsimile signature can be used, the manual signature must be certified under oath and on file with the Missouri Secretary of State, and the person whose facsimile signature is being used must have the authority to sign the document on which the signature is affixed. Prior to using the facsimile signature, the individual who affixes the signature on the document is responsible for verifying the accuracy of the document signed and the authority of the person whose signature is used.

Signature stamps and other facsimile signature devices will be kept locked or otherwise secured from unauthorized use and will only be used on approved documents by persons authorized by the superintendent or the Board. An individual must receive specific approval from the person whose signature is being used prior to affixing it to a particular document unless it is a contract or payment that has received prior approval by the Board.

1.9 (continued)

To the extent allowed by law, individuals authorized to sign documents on behalf of the district may sign those documents electronically. Unlike facsimile signatures, which are designed to be used by persons other than the individual whose signature is needed, an electronic signature is intended to be used only by the individual signing the document in situations where the document is electronic or it is inconvenient to sign a document manually. Only the individual whose signature is being used or a person directly supervised by that person who has been given explicit permission to use the signature on that particular document may sign a document with an electronic signature.

The board strictly prohibits any misuse of facsimile signatures or electronic signatures and the use of forged signatures. The board further prohibits any employee or board member from knowingly signing an unauthorized or inaccurate document on behalf of the district or the board. Employees will be disciplined and may be terminated for any violation of this policy or for impropriety involving official documents and signatures. Board members may be removed from any appointed position or committee and reprimanded. Any person who fraudulently uses a facsimile signature or seal is guilty of a felony. The superintendent or designee is directed to contact law enforcement or other legal authorities to report any potential criminal activity.

1.10 Depository of Funds (December, 2022)

The district is committed to sound fiscal management and the protection of district funds. For that reason, the Board will carefully consider all options when selecting a financial institution to deposit district funds. Selection of depositories shall be made by the bid selection process established by state law and in accordance with this policy.

Depositories may be selected annually, or the district and depository may enter into a one- to five-year contract agreement for the deposit of the district's money or funds.

In each year in which depositories are to be selected, the board shall receive sealed proposals from banking institutions in the county or in adjoining counties that desire to be selected as depositories of the district's moneys and funds.

As required by law, the board shall divide the funds into not less than two nor more than ten equal parts. Each bidder may bid for any number of the parts, but the bid for each part shall be separate. At least 20 days before the date selected by the board for acceptance of bids, the board secretary shall publish notice that bids will be received. The notice must be published in a

1.10 (continued)

newspaper of general circulation in the county and will state the date, place and time of the meeting where bids are to be opened and the number of years for which a depository will be selected for each part of the fund (which may be any term between one and five years inclusive, next ensuing the date of the bid).

On or before the date selected for the acceptance of bids, bidders shall deliver a sealed bid to the board secretary. The sealed bid shall state the rate of interest or method by which the interest will be determined for the advertised term.

On the date selected for the acceptance of bids and at the place and time advertised for the bid-opening meeting, the board or designee shall publicly open the bids and cause each bid to be verbally read and documented, after discussion and clarification of bids with the financial institutions. The board secretary may not directly or indirectly disclose the amount of the bid before this meeting.

After discussion and clarification of the bids at the bid-opening meeting—or, if the public bid opening is not at a board meeting, then at the next Board meeting, the board shall cause each bid to be entered upon the records of the board and shall select from among the bidders those bids that will be accepted and notify each of the selected bidders. If there is no qualifying bid for a part, the board may select a depository for that part without further advertising or bidding.

The board will then enter into a contract or agreement with the selected depository for the deposit of each part of the district's moneys or funds for the advertised one- to five-year term. The contract may authorize the depository to invest the funds deposited in accordance with law and the district's investment policy. Such a contract or agreement may be terminated by the mutual consent of both parties at any time.

In accordance with law, prior to receiving district funds, the selected depository must deposit securities with the district, another banking institution or a trustee to secure the district's funds. If the selected depository fails to deposit adequate security for the district's moneys or funds within the time provided by law, the board shall take action to safeguard district funds (including, but not limited to, depositing such moneys or funds in another bank) and shall proceed to receive new bids and select another depository in lieu of the bank that failed to deposit the security. As the contract or agreement concerning each part of the district's funds expires or is terminated, the successive depository for that part will be chosen by bid in accordance with this policy.

1.11 Bonded Employees and Officers (December, 2022)

In accordance with law, the treasurer of the board shall enter into a bond to the state of Missouri with one or more sureties, to be approved by the board, conditioned that a faithful and just account of all moneys that come into the hands of the treasurer will be rendered and that the duties of the office will be performed according to the law. The bond shall be filed with the secretary of the board. The treasurer shall be the custodian of all school moneys derived from taxation for school purposes in the district until paid out on the order of the board. Employees who perform the duties of the treasurer but have not been elected to the position will also enter into a surety bond. The Board may also require other officers and employees to be bonded. (162.401)

1.12 Sale of Property (December, 2022)

The district purchases property with public funds to further the educational mission of the district, and the board expects district employees to care for and use district property efficiently. When the district no longer needs property or the property is not suitable to the district's needs, the board, by an affirmative vote of a majority of the whole board, may authorize and direct the sale or lease of the property in accordance with law.

Real property may be sold or leased by listing the property with one or more real estate brokers and paying a commission upon such sale or lease. Real property not disposed of in this way may be sold or leased to the highest bidder. Personal property may be sold or leased to the highest bidder or otherwise disposed of as allowed by law. The board reserves the right to reject all bids. Property may also be sold or leased for public uses and purposes to a city, state agency, municipal corporation or other governmental subdivision of the state located within the boundaries of the district.

The superintendent or designee shall create administrative procedures to implement this policy in accordance with state law on the sale of surplus property.

1.13 Real Estate Services (December, 2022)

In situations where the district will discuss or make decisions regarding the lease, purchase or sale of real estate in closed session as allowed by law, the district is not required to publicly advertise and seek sealed bids for the services of a licensed real estate broker or other services incident to the sale, regardless of the ultimate cost of the service provided. Instead, the purchasing officer will contact at least two service providers to obtain bids or quotes for services and make a recommendation to the Board, or the district may contract with a real estate broker or other service provider that has previously provided services to the district. This exception does not apply to services required to be publicly bid by law, such as

1.13 (continued)

construction services, or other services for which there is a specified selection process in law or policy, such as architectural, engineering and land surveying services.

1.14 Donations (December, 2022)

The Board of Education encourages the community to direct all gifts, donations or bequests ("Donations") to foundations created to support the district. Donations made to foundations are not considered public funds, which allows the district greater flexibility in using the funds. Further, a foundation is eligible for grants and gifts not otherwise available to governmental entities.

All Donations accepted by the district will become the property of the district, to be expended or used at the discretion of the Board of Education and in accordance with Board policies and law for the benefit of the district as a whole. In general, the superintendent or designee is authorized to accept Donations to the school district, but the Board must take action to accept all Donations that require ongoing annual service, a maintenance fee, significant personnel time, initial or continuing financial commitments from the district or Donations of real property.

In deciding whether to accept Donations, the superintendent, the Board or its designee may consider whether the contribution will further the goals of the district, is appropriate for the school environment and will unequally distribute resources in the district. No Donations will be accepted without verification that there are no encumbrances against the Donations. All accepted Donations can be removed from use or circulation at the discretion of the district.

1.15 Professional Services (December, 2022)

The board of education may employ an attorney on a retainer basis whenever the board finds it necessary to do so and may prescribe his/her duties, compensation, and term of office, which shall not exceed one year. The board shall negotiate contracts for architectural, engineering, and land surveying services on the basis of demonstrated competence and qualifications for the type of services required. The board may retain the services of a construction manager in accordance with the selection process required by law.

Rev. 9/01, 12/22

REQUEST FOR CONSIDERATION OF POLICY REVISION

Policy Number _____
(if policy currently exists)

Policy
Name _____

It is recommended the following policy revision be considered for adoption:

Rational for this request:

Name of individual or group submitting request (not mandatory)

BLUE SPRINGS R-IV SCHOOL DISTRICT INVESTMENT POLICY

This policy is written in regard to investing the financial assets of the Blue Springs School District Incidental, Teachers, Debt Service and Capital Projects Funds. This policy also includes the investment of the general obligation bond proceeds when invested separately from the individual funds. Collateralized investments will comply with the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989.

I. Scope

This policy applies to the investment of all operating funds of the Blue Springs School District.

1. Pooling of Funds

Except for cash in certain restricted and special funds, the district will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with the generally accepted accounting principles.

2. External Management of Funds

Investment through external programs, facilities and professionals operating in a manner consistent with this policy will constitute compliance.

II. General Objectives

1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

a. Credit Risk

The district will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the district will do business.
- Diversifying the portfolio so that potential losses on individual securities will be minimized.

b. Interest Rate Risk

The district will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in bank deposits or repurchase agreements that offer same-day liquidity for short-term funds.

General Objectives (continued)

3. Yield

The investment portfolio shall be designed with the objectives 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 of secondary importance to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

III Standards of Care

1. Prudence

The standard of care to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the governing body and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. Ethics and Conflicts of Interest

Officers and employees of the district 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. Employees and investment officials shall disclose any material interests in financial institutions in which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the district.

3. Delegation of Authority

Authority and responsibility for management of the day-to-day operations of the investment program may be granted to the superintendent or designee and/or an external professional organization, including Missouri Securities Investment Program (“MOSIP”). The investment officer shall ensure that the investment program’s operations are in accordance with the established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of

this policy and the procedures established by the investment officer.

IV. Investment Transactions

1. Authorized Financial Dealers and Institutions

A list will be maintained of financial institutions authorized to provide investment transactions. In addition, a list also will be maintained of approved security brokers/dealers selected by creditworthiness. These may include “primary” dealers or regional deals that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers, Inc. (NASD) certification
- Completed broker/dealer questionnaire
- Certification of having read and understood and agreeing to comply with the district’s investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the superintendent or designee and/or the designated external professional organization.

2. Internal Controls

The investment officer is responsible for establishing and maintaining an internal control structure that will be reviewed annually with the district’s independent auditor. The internal control structure shall be designed to ensure that the assets of the district are protected from loss, theft or misuse and to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management.

The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third party custodian.

3. Delivery vs. Payment

All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in eligible financial institutions prior to the release of funds. All securities shall be perfected in the name or for the account of the district or MOSIP or other designated external professional organization and shall be held by a third-party custodian as evidenced by appropriate safekeeping receipts.

V. **Suitable and Authorized Investments**

1. Investment Types

In accordance with and subject to restrictions imposed by current statutes, the following list represents the entire range of investments that district will consider and which shall be authorized for the investments of funds by the district.

- a. Securities issued by State of Missouri – The district may invest in obligations of the Missouri State government for which the full faith and credit of the State of Missouri are pledged for the payment of principal and interest.
- b. United States Treasury Securities – The district may invest in obligations of the United States government for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- c. United States Agency Securities – The district may invest in obligations issued or guaranteed by any agency or any wholly owned corporation of the United States Government as described in V(2).
- d. Repurchase Agreements – The district may invest in contractual agreements between the district and commercial banks or primary government securities dealers. The purchaser in a repurchase agreement (repo) enters into a contractual agreement to purchase Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices.
- e. Collateralized Public Deposits (Certificates of Deposit) – Instruments issued by financial institutions, which state that specified sums have been deposited for specified periods of time, and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as described in sections 110.010-.020, RSMo.
- f. Banker's Acceptance – Time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances. The district may invest in bankers' acceptances issued by domestic commercial banks possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation.
- g. Commercial Paper – The District may invest in commercial paper issued by domestic corporations, which has received the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that have total assets in excess of five hundred million dollars (\$500,000,000).

2. Security Selection: The following list represents the entire range of United States Agency Securities that district will consider and which shall be authorized for the investment of funds by the district. Additionally, the following definitions and guidelines should be used in purchasing the instruments:

- a. U.S. Govt. Agency Coupon and Zero Coupon Securities – Bullet Coupon bonds with no embedded options.
- b. U.S. Govt. Agency Discount Notes -- Purchased at a discount with maximum maturities of one (1) year.

- c. U.S. Govt. Agency Callable Securities -- Restricted to securities callable at par only with final maturities of five (5) years.
 - d. U.S. Govt. Agency Step-Up Securities -- The coupon rate is fixed for an initial term. At coupon date, the coupon rate rises to a new, higher fixed term. Restricted to securities with final maturities of five (5) years.
 - e. U.S. Govt. Agency Floating Rate Securities -- The coupon rate floats off one index restricted to coupons with no interim caps that reset at least quarterly.
 - f. U.S. Govt. Mortgage Backed Securities -- Restricted to securities with final maturities of five (5) years.
3. Investment Restrictions and Prohibited Transactions
To provide for the safety and liquidity of the district's funds, the investment portfolio will be subject to the following restrictions:
- a. Borrowing for investment purposes ("Leverage") is prohibited
 - b. Instruments known as Structured Notes (e.g. inverse floaters, leveraged floaters, and equity-linked securities) are not permitted. Investment in any instrument, which is commonly considered a "derivative" investment (e.g. options, futures, swaps, caps, floors, and collars), is prohibited.
 - c. Contracting to sell securities not yet acquired in order to purchase other securities for purposes of speculating on developments or trends in the market is prohibited.
 - d. Maximum allocation to banker's acceptances of 25%. No more than 5% of the total market value of the portfolio may be invested in bankers' acceptances issued by any one commercial bank.
 - e. Maximum allocation to commercial paper of 50%. No more than 5% of the total market value of the portfolio may be invested in any one issuer of commercial paper.

4. Collateralization
Collateralization will be required on two (2) types of investments: certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the market value (including accrued interest) of the collateral should be at least 100%. For certificates of deposit, the market value of collateral must be at least 100% or greater of the amount of certificates of deposits plus demand deposits with the depository, less the amount, if any, which is insured by the Federal Deposit Corporation, or the National Credit Unions Share Insurance Fund.

All securities, which serve as collateral against the deposits of a depository institution must be safe, kept at a non-affiliated custodial facility. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts within five business days from the settlement date.

Suitable and Authorized Investments (continued)

5. Repurchase Agreements

The securities for which repurchase agreements will be transacted will be limited to Treasury and government agency securities that are eligible to be delivered via the Federal Reserve's Fedwire book entry system. Securities will be delivered to the district's designated Custodial Agent. Funds and securities will be transferred on a delivery vs. payment basis.

VI. Investment Parameters

1. Diversification

The investments shall be diversified to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

- a. U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. government – 100%
- b. Collateralized time and demand deposits – 100%
- c. U.S. Government agencies, and government sponsored enterprises – No more than 85%
- d. Collateralized repurchased agreements – 50%
- e. U.S. Government agency callable securities – Not more than 30%
- f. Commercial Paper – Not more than 50% – Not more than 5% to any one issuer

2. Maximum Maturities

To the extent possible, the district shall attempt to match its investments with anticipated cash flow requirements. Investments in bankers' acceptances and commercial paper shall mature and become payable not more than 180 days from the date of purchases. All other investments shall mature and become payable not more than five (5) years from the date of purchase. The district shall adopt weighted average maturity limitations that should not exceed three (3) years and is consistent with the investment objectives.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as in bank deposits or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

VII. Reporting

1. Methods

The investment officer shall prepare or cause to be prepared an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner that will allow the district to ascertain whether investment activities during the reporting period have conformed to the

investment policy. The report should be provided to the governing body of the district. The report will include the following:

- Listing of individual securities held at the end of the reporting period
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration (in accordance with Government Accounting Standards Board (GASB) 31 requirements). [Note, this is only required annually]
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- Listing of investment by maturity date.
- Percentage of the total portfolio, which each type of investment represents.

2. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks may be established against which portfolio performance shall be compared on a regular basis.

Commercial paper and bankers' acceptances must be reviewed not less often than monthly by the investment officer to determine if the rating level has changed. The commercial paper and bankers' acceptances should be reviewed for possible sale if the securities are downgraded below the minimum acceptable rating levels.

3. Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least annually to the Board. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed.

VIII. Policy Considerations

1. Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempt from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

2. Adoption

The policy shall be reviewed annually by the investment officer and recommended changes will be presented to the Board for consideration.