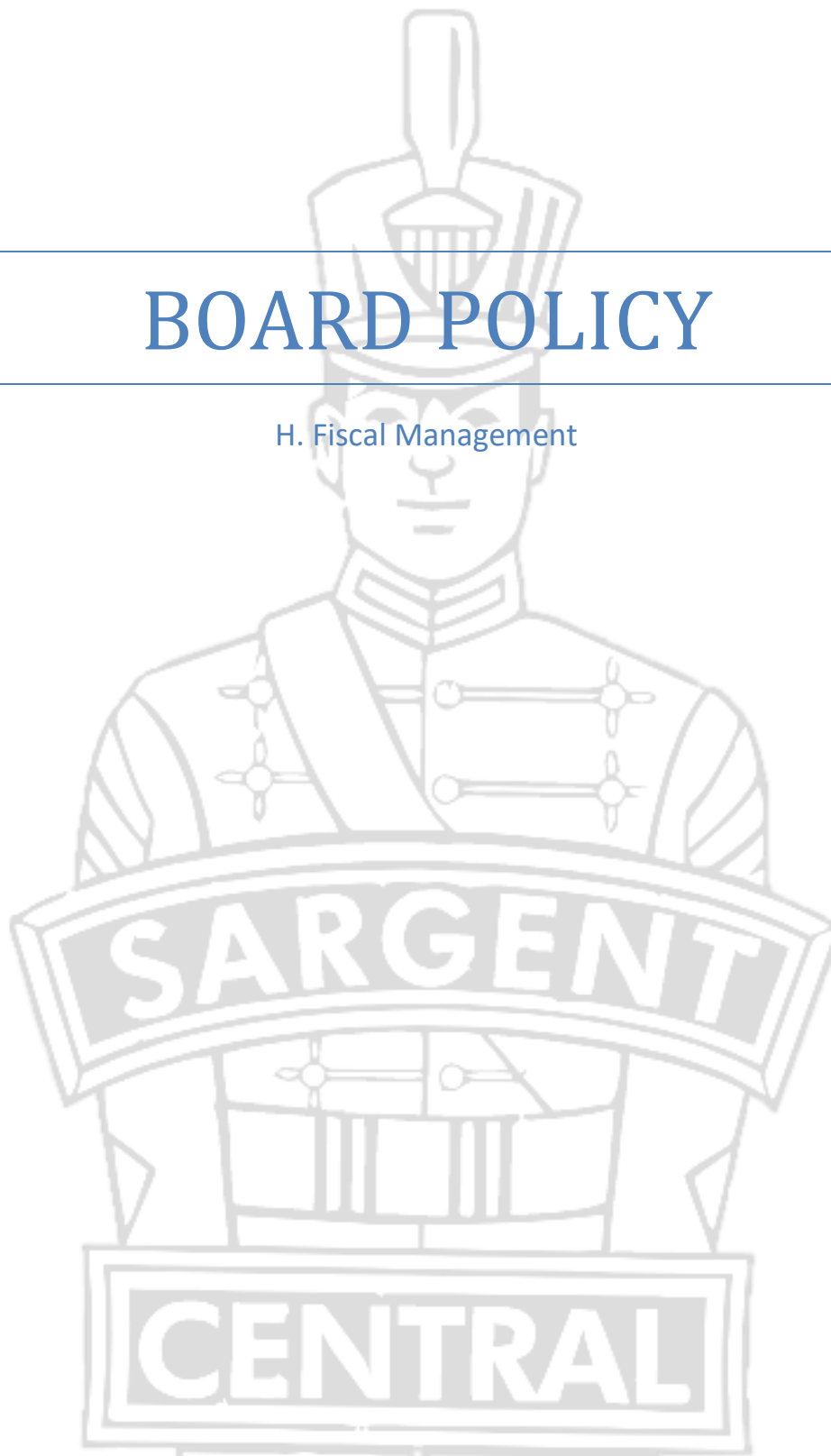

BOARD POLICY

H. Fiscal Management



SARGENT CENTRAL PUBLIC SCHOOL

575 5TH ST. SW
Forman, ND 58032

FEDERAL FISCAL COMPLIANCE

The Sargent Central Public School District shall appoint one individual annually to serve as the authorized representative for the Title I program in accordance with state Title I requirements. This individual shall have official signature authority over the Title I program and the district's Title I funds, shall serve as the district's main contact for the State Title I office, unless the district specifies otherwise, and shall receive Title I updates and mailings.

The Sargent Central Public School District Board approves the authorization of the Superintendent the authorized representative for the following federal programs: Title I, Title II Part A, Title III, Title IV Part A, RLIS funds, School Food Service, Comprehensive School Reform, and Federal Vocation Program.

Annually, the Board shall review and approve the consolidated application for Title I, Title II Part A, Title III, Title IV Part A, and RLIS funds. Upon approval, the Board shall grant permission to the authorized representative to submit the application. The Board shall also review and approve all competitive grant applications prior to their submission.

All purchases made on behalf of the District using federal funds shall conform to applicable state and federal laws and the District's purchasing policy (HCAA). When district policies and procedures are more restrictive than state or federal laws, local policies must be followed.

The Business Manager shall track all federal expenditures and assure that the District follows all budgetary requirements under the specific program and all purchases adhere to district policy.

The Business Manager shall ensure that the budgetary requirements have been appropriately documented, submit all federal program reports to the Department of Public Instruction, as required, and ensure that the district's federal programs comply with the federal Maintenance of Effort regulation.

The Business Manager shall also ensure that all other federal funds, such as those received through grants, are expended as intended in the grant application or budget revision and will verify that the budgetary information for these federally funded programs matches the budgetary information on file with the state.

The Business Manager shall track all items purchased with federal funds. These items will be labeled as purchased with these specific federal program funds. The District shall maintain a formal inventory description list of equipment and all computers purchased with federal funds.

All employees paid with federal funds shall document the time and effort they expend towards federal programs in accordance with federal law.

Record Retention

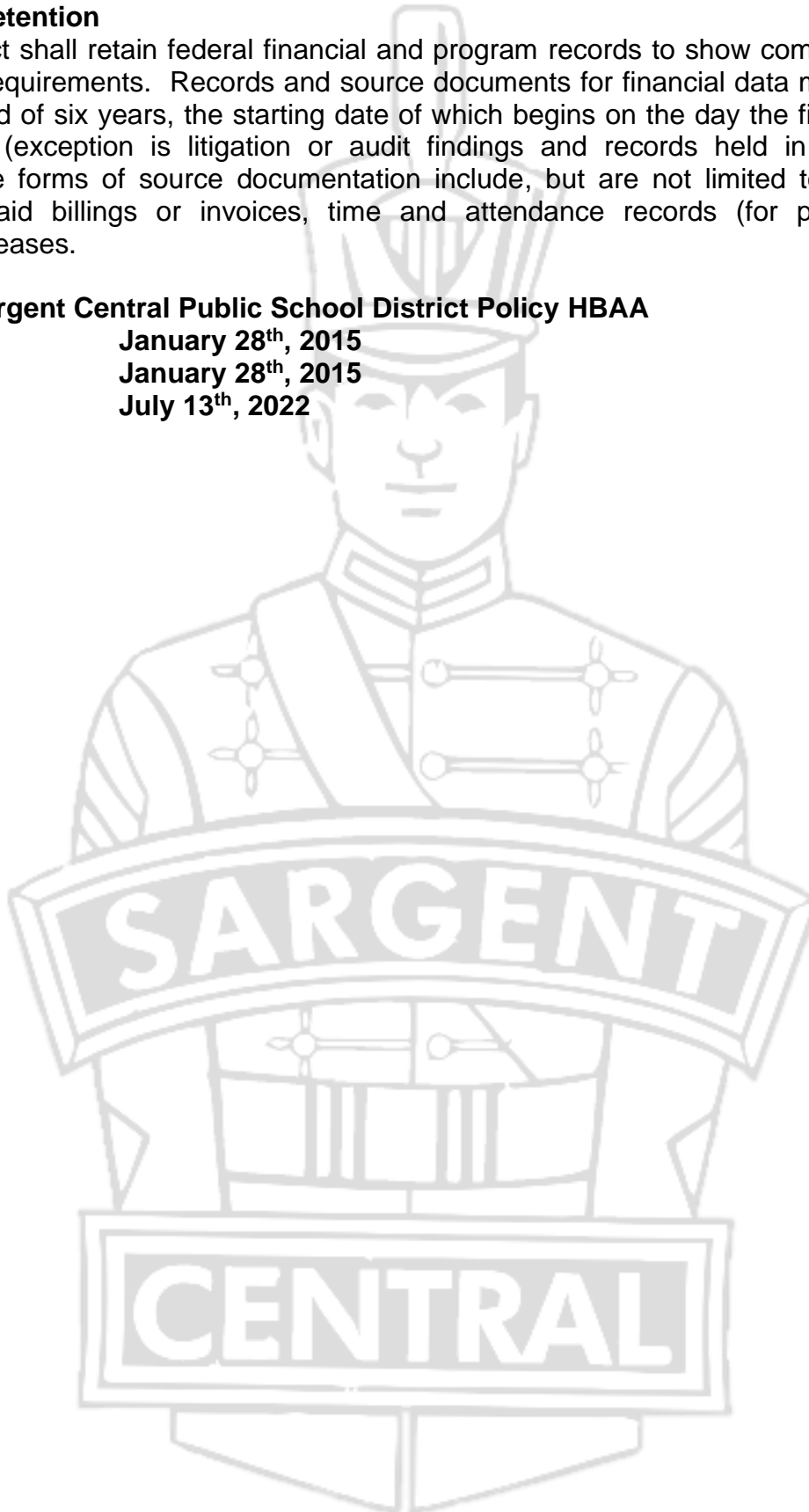
The District shall retain federal financial and program records to show compliance with program requirements. Records and source documents for financial data must be kept for a period of six years, the starting date of which begins on the day the final report is submitted (exception is litigation or audit findings and records held in resolution). Acceptable forms of source documentation include, but are not limited to, cancelled checks, paid billings or invoices, time and attendance records (for payroll), and contracts/leases.

End of Sargent Central Public School District Policy HBAA

Reviewed January 28th, 2015

Adopted January 28th, 2015

Revised July 13th, 2022



PURCHASING

All purchases made on behalf of the District shall be executed in a fair, equitable, and legal manner using a process that helps ensure the best value for the District and its taxpayers. The purpose of this policy and accompanying regulation is to establish such procedures.

Establishment of a Purchasing System

The Board delegates overall purchasing authority to the Superintendent who shall serve as the district's Chief Procurement Officer. The Chief Procurement Officer shall be responsible for developing and administering the purchasing program of the District, including the development and implementation of a requisition and purchasing system that is efficient, economical, and meets the standards below. A complete purchasing record system shall be maintained by the Chief Procurement Officer. To ensure adequate checks and balances, the procurement officer shall have authority to approve district employee's purchases but shall not directly make purchases for the District.

General Requirements for Purchases

1. All purchases must conform to all applicable state laws, including, but not limited to, laws prohibiting disclosure of confidential and proprietary information.
2. All parties involved in purchasing shall act in good faith, and purchases at all levels shall be made in a manner and form that permits the highest degree of fair competition possible.
3. All purchases must be documented through the purchase card (p-card) system, a purchase order, contract, invoice, or receipt. All records of purchases must be submitted to the Chief Procurement Officer.
4. All purchases made through the purchasing system must have budget appropriations adequate to cover the cost of such obligations. Purchases not meeting this criterion must be approved by the Board.
5. Prior to making a purchase, the purchaser shall check current inventories to ensure that the purchase is necessary and determine if the item can be obtained through existing cooperative purchasing agreements under NDCC 54-44.4-13 or federal agencies contracted under 21-06-08. Purchases made through such agreements are exempt from the procurement procedures contained in this policy.
6. Procurement requirements may not be artificially fragmented as to constitute a small purchase or to avoid competitive purchasing requirements. Artificial fragmentation means splitting purchase requirements or splitting an invoice to stay below a certain dollar level to avoid competition or stay within delegated authority limits. Fragmentation must be based on an actual need of the District, and documentation of this need shall be filed with the procurement officer.

7. If purchases are made using restricted funds (e.g., grant dollars), purchases must conform to any requirements associated with those funds.
8. This policy is not applicable to legal services or public improvement or construction purchases.

Purchases requiring contracts must comply with the contracting standards contained in this policy and in law.

Purchasing Authority Thresholds

The Chief Procurement Officer or designee shall evaluate the procurement needs and estimate the amounts to be purchased to ensure the appropriate purchasing authority threshold is followed. Estimated price may be based upon previous purchases, market research, a published price list, or asking a vendor for a budgetary estimate.

1. **P-Cards:** The Chief Procurement Officer is authorized to implement a purchase card system. While most purchases with p-cards shall conform to the purchasing standards contained in this policy, the Chief Procurement Officer is authorized to make exceptions to this policy as follows. The Chief Procurement Officer may issue cards to school staff not listed in this policy, ensuring that their cards have adequate spending caps in place given the nature of their positions and may waive specification and solicitation requirements for p-card purchases for items or services that are difficult or impossible to obtain through competitive purchasing (e.g., travel expenses).
2. **Purchases less than \$10,000:** These purchases may be delegated by the Chief Procurement Officer to building-level administrators and Athletic Director. Purchasers shall obtain at least one fair and reasonable quote. To the extent feasible, the District must rotate vendors solicited on an equitable basis.
3. **Purchases \$10,000 to \$50,000:** These purchases may only be made by the Chief Procurement Officer (e.g., Superintendent) who shall develop specifications and solicit at least three vendors to submit oral or written informal bids or proposals. If receiving three bids or proposals is not feasible or practical, the purchaser shall document an explanation and file it with the Chief Procurement Officer who has authority to require the purchaser to seek additional solicitations.
4. **Purchases greater than \$50,000:** These purchases shall only be made in accordance with NDCC 15.1-09-34 and board policy HCAB.

Delegation of Purchasing Authority when Conflict of Interest Declared

In the event that an individual with purchasing authority has a conflict of interest under law, they shall contact the Chief Procurement Officer who shall appoint another qualified district employee without a conflict to oversee the procurement process of the good or service at issue.

Purchases Requiring Contracts

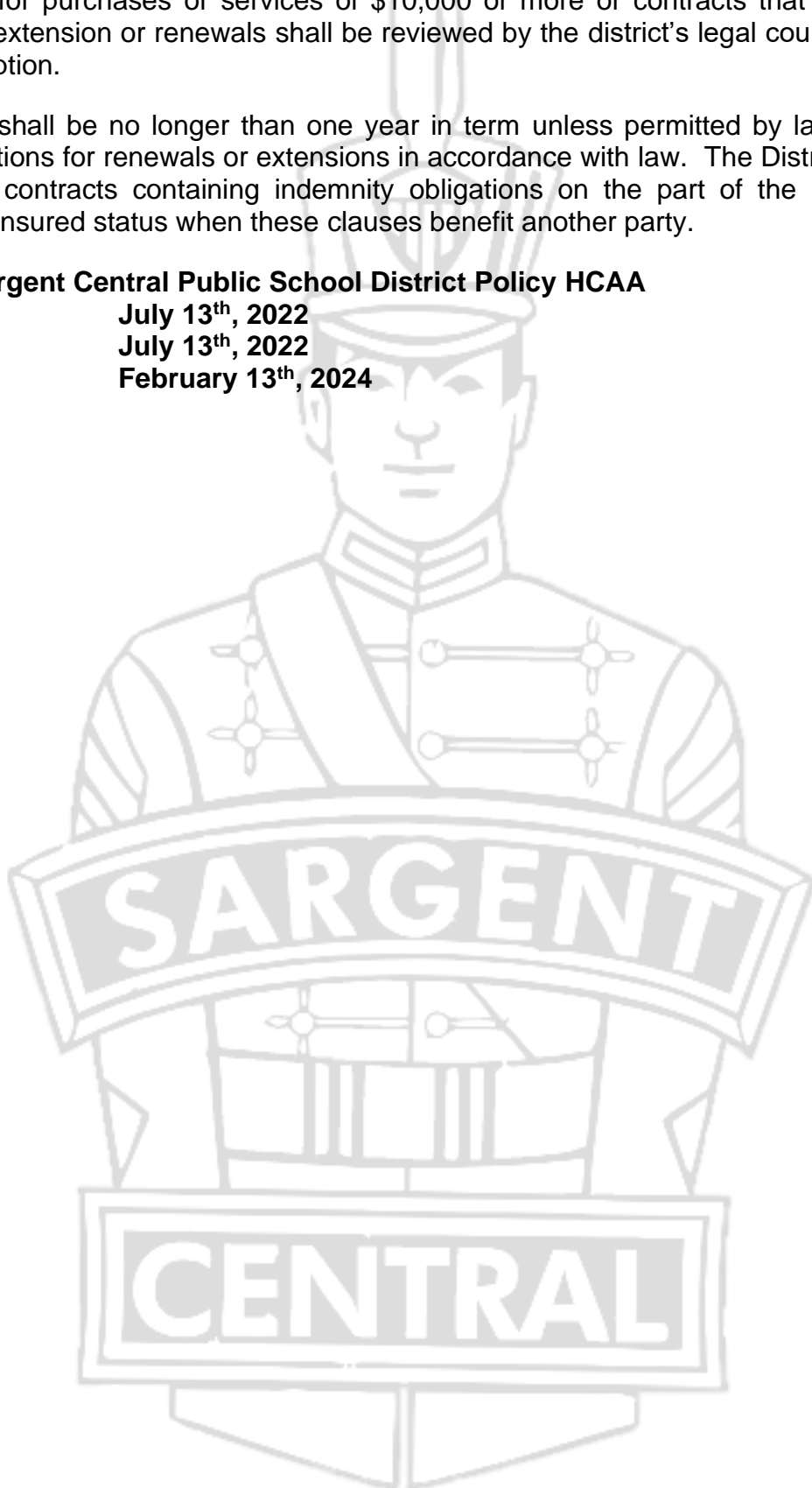
Any purchase requiring a contract with a vendor shall be approved by the Board prior to execution. When a vendor supplies the contract, the Chief Procurement Officer or designee shall review and make recommendations to the Board prior to approval.

Contracts for purchases or services of \$10,000 or more or contracts that contain the option for extension or renewals shall be reviewed by the district's legal counsel prior to board adoption.

Contracts shall be no longer than one year in term unless permitted by law and may contain options for renewals or extensions in accordance with law. The District shall not enter into contracts containing indemnity obligations on the part of the District and additional insured status when these clauses benefit another party.

End of Sargent Central Public School District Policy HCAA

Reviewed	July 13th, 2022
Adopted	July 13th, 2022
Revised	February 13th, 2024



BIDDING REQUIREMENTS & PROCEDURES

Requests for Bids

All requests for bids shall include at least the following components so long as such components are applicable:

1. Term (i.e., number of days, months, etc) for which prices must be available;
2. Disclaimers regarding:
 - a. Ownership of proposal forms;
 - b. Propriety of information contained within the proposal;
 - c. Responsibility for expenses related to preparation and award of contract.
3. Requirements to include any security instrument (bond or check).
4. A requirement to break down costs, specifically:
 - a. Delivery charges, installation fees, warranties, etc.
 - b. Unit pricing.
5. Delivery and installation guidelines (time of day, place or places, period of time within which delivery and installation must be made).
6. Guidelines for properly submitting invoices for payment.
7. Right of the District to reject any and all bids.

Bid notices for construction, repair, remodeling or demolition of a facility shall not contain criteria related to organized labor nor shall the Board or District discriminate against a bidder or subcontractor based on his/her participation or lack thereof in organized labor.

Bidding Opening & Review

Unless otherwise stipulated by law, the procedure for bidding and bid openings is as follows. The District shall only accept sealed bids and shall designate a time and place for the opening of such bids. The bid opening will not be held during a meeting of the Board unless the meeting has been properly noticed in accordance with law. Bids shall not be awarded at a bid opening but at a future meeting of the Board to allow the Superintendent or other designee an opportunity to compare and investigate the bids. The Superintendent or designee shall make recommendations to the Board regarding the awarding of bids. The Board may interview bidders in accordance with 44-04-19.2 prior to awarding the bid. All contracts which require public advertising and competitive bidding shall be awarded by board motion.

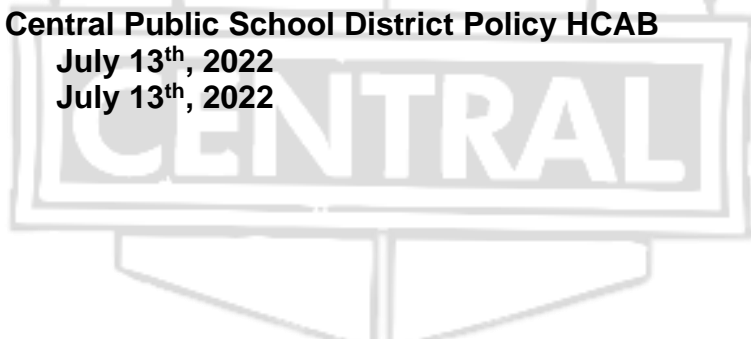
End of Sargent Central Public School District Policy HCAB

Reviewed

July 13th, 2022

Adopted

July 13th, 2022



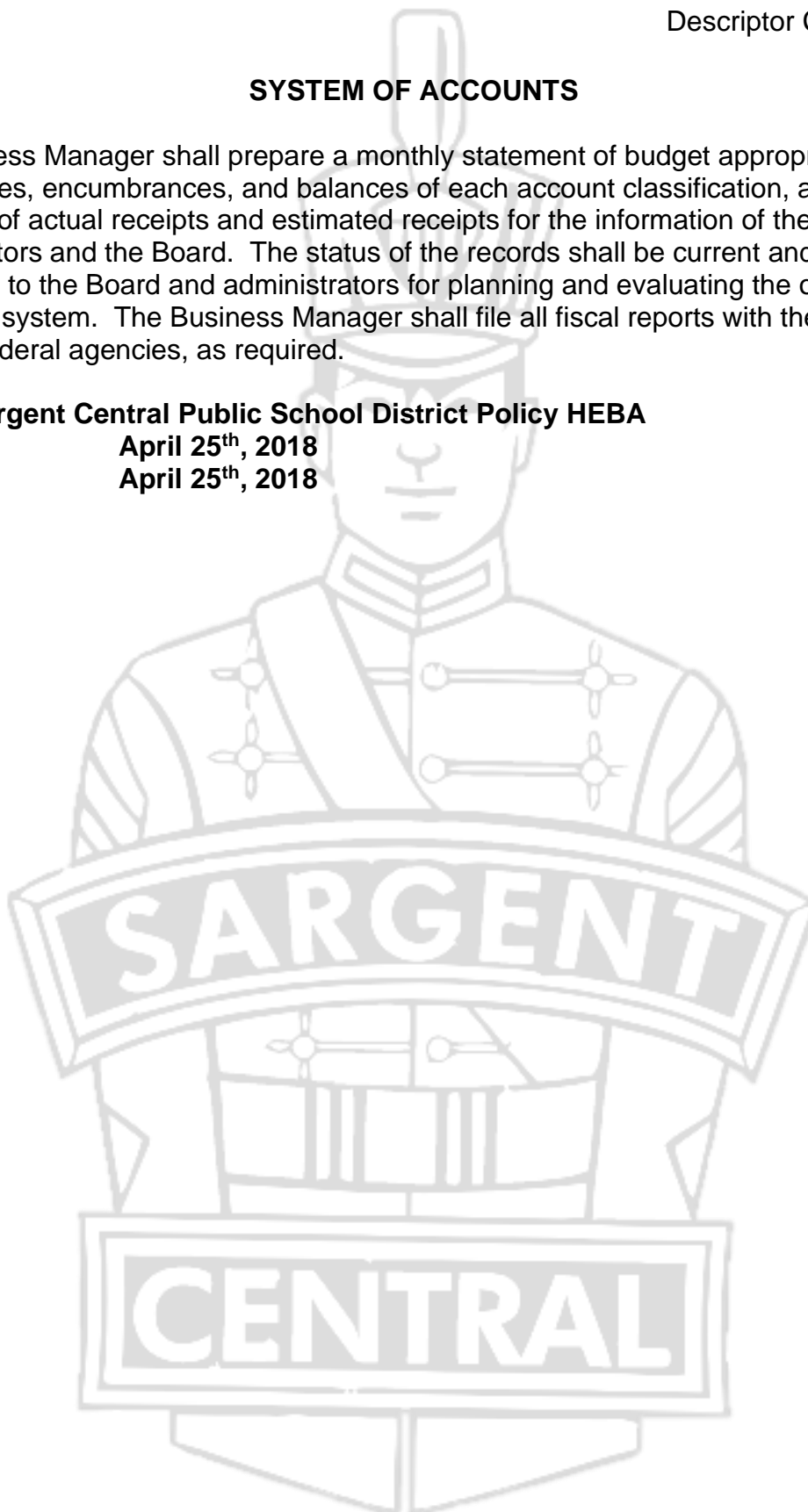
SYSTEM OF ACCOUNTS

The Business Manager shall prepare a monthly statement of budget appropriations, expenditures, encumbrances, and balances of each account classification, as well as a statement of actual receipts and estimated receipts for the information of the administrators and the Board. The status of the records shall be current and available at all times to the Board and administrators for planning and evaluating the operation of the school system. The Business Manager shall file all fiscal reports with the county, state, or federal agencies, as required.

End of Sargent Central Public School District Policy HEBA

Reviewed April 25th, 2018

Adopted April 25th, 2018



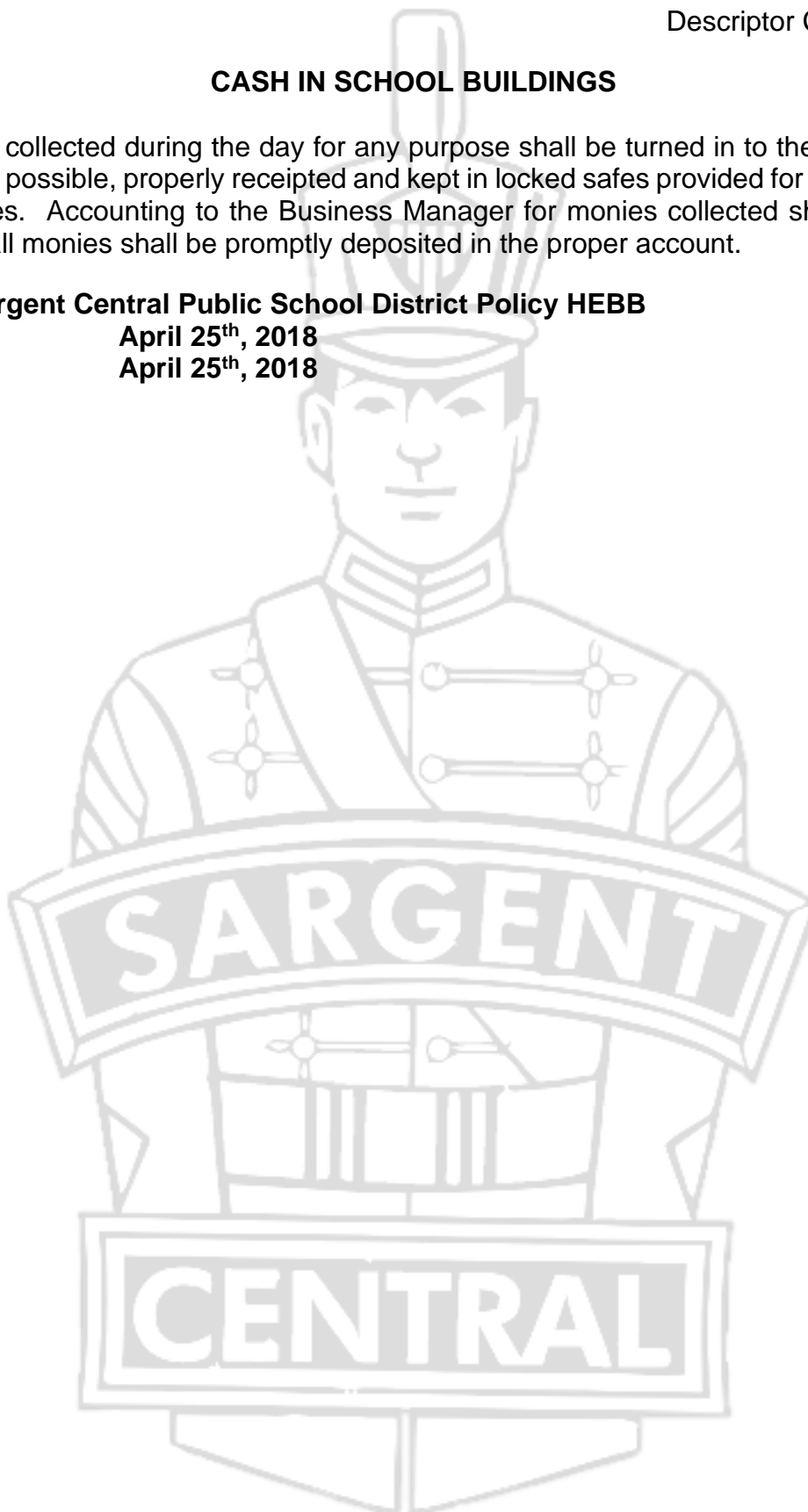
CASH IN SCHOOL BUILDINGS

All monies collected during the day for any purpose shall be turned in to the main office as soon as possible, properly receipted and kept in locked safes provided for safekeeping of valuables. Accounting to the Business Manager for monies collected shall be done daily and all monies shall be promptly deposited in the proper account.

End of Sargent Central Public School District Policy HEBB

Reviewed April 25th, 2018

Adopted April 25th, 2018



FRAUD PREVENTION & INVESTIGATION

The District prohibits board members, employees, vendors, contractors, consultants, and others seeking or maintaining a business relationship with the District from committing or participating in fraud and financial impropriety as defined below.

Fraud and financial impropriety include, but are not limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the District.
2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
3. Misappropriation of funds, securities, supplies, or other district assets.
4. Impropriety in the handling of money or reporting of district financial transactions.
5. Profiteering as a result of insider knowledge of district information or activities.
6. Unauthorized disclosure of confidential financial information (e.g., account numbers).
7. Inappropriately destroying, removing, or using records or equipment.
8. Failure to provide financial records required by state or local entities.
9. Any other dishonest act regarding the finances of the District.

Financial Oversight and Controls

The Superintendent shall maintain a system of internal controls to identify potential risks, manage potential risks, and deter and monitor fraud and financial impropriety in the District. Internal controls shall be subject to board review.

The Superintendent is authorized to order a complete forensic audit if, in his/her judgment, such an audit is necessary or would be beneficial to the District.

Reports

Any person who suspects fraud or financial impropriety in the District shall report this information immediately to the Superintendent, or, in instances where the Superintendent is suspected of committing such acts, the Board President. Individuals may also report suspected fraud/financial impropriety activity to local law enforcement.

Individuals who report potential fraud/financial impropriety shall not be retaliated against, including instances when a complaint is not substantiated. However, employees who knowingly make a false fraud/financial impropriety report may be subject to disciplinary action.

Reports of suspected fraud/financial impropriety shall be treated as confidential to the extent permitted by state law on administrative investigations of school personnel. All individuals involved in an investigation shall be advised to keep information about the investigation confidential.

Investigation

The Superintendent shall investigate reports of suspected fraud/financial impropriety. If the Superintendent is suspected of fraud/financial impropriety, the Board President shall investigate the report.

The investigator shall coordinate investigation efforts with appropriate district personnel, legal counsel, the state fraud auditor, insurance carrier, and other internal and external departments and agencies as deemed necessary.

If an investigation substantiates the occurrence of fraud/financial impropriety, the investigator shall promptly notify the State Bond Fund and shall recommend responses to the investigation findings, including disciplinary action up to and including termination from district employment. These recommendations shall be documented in the investigator's report. The report shall be submitted to the appropriate district authority for action. The District may file a criminal complaint in cases where fraud/financial impropriety is substantiated. In cases involving monetary loss to the District, the District may seek to recover lost or misappropriated funds.

Analysis of Fraud

After any investigation that substantiates a report of fraud or financial impropriety, the Board shall appoint an individual to analyze conditions/factors that allowed for the activity to take place. This individual shall update internal controls to ensure measures are put in place to better protect district assets and deter future fraud/financial impropriety activities.

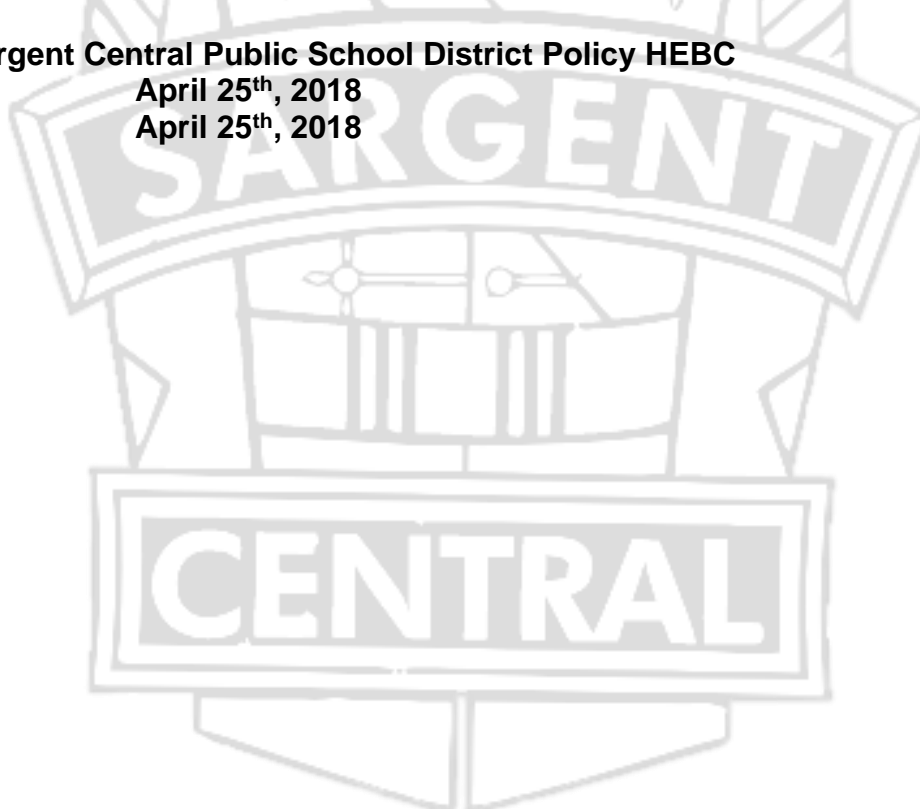
End of Sargent Central Public School District Policy HEBC

Reviewed

April 25th, 2018

Adopted

April 25th, 2018



AUDITS

All financial records of the District will be audited once every year following the close of each fiscal year.

The Board will appoint an independent auditor upon the recommendation of the Superintendent, who shall be a Certified Public Accountant and/or Licensed Public Accountant, to conduct this audit in accordance with law. The audit shall be presented to the Board upon completion and submitted to the state auditor in accordance with law.

End of Sargent Central Public School District Policy HEBD

Reviewed April 25th, 2018

Adopted April 25th, 2018

