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## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DA**

#### DA : FISCAL MANAGEMENT GOALS

The board recognizes that money and money management compose the foundational support of the whole school program. To make that support as effective as possible, the board intends:

- 1.) To encourage advance planning through the best possible budget procedures;
- 2.) To explore all practical sources of dollar income;
- 3.) To guide the expenditure of funds so as to extract the greatest educational returns;
- 4.) To expect top-quality accounting and reporting procedures;
- 5.) To maintain a level of expenditure needed to provide high quality education without imposing an excessive tax burden on the community.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016



**DB : ANNUAL BUDGET**

Under law, the district is required to adopt an annual budget setting forth revenues and expenditures. This annual school budget is the financial outline of the district's educational plan; it is also the legal basis for the establishment of tax levies to support public education within the district.

Public school budgeting is also regulated and controlled by legislation, state regulations and local board requirements. The annual operating budget for the schools will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The school district budget will be prepared by the superintendent, with the assistance of the business manager, and presented to the board for review. The superintendent will establish a timeline for the preparation of the budget.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 10-12-30; 10-12-31, 13-11-2 et seq.

CROSS REFS.: DBC, Budget Deadlines and Schedules



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DBB**

#### DBB : FISCAL YEAR

The fiscal year for all school funds will be July 1 through June 30. Financial reports for all funds will be presented for board approval at the July meeting.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-26-1



# DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

## SECTION D – FISCAL MANAGEMENT

**POLICY: DBC**

### DBC: BUDGET DEADLINES AND SCHEDULES

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and board policy.

The following will serve as a guideline in the scheduling of the budget:

January	Budget preparation begins.
March	Review of proposed budget.
March-May	Business Manager will submit quotes/proposals for the annual audit to the school board.
May	The proposed budget for the next fiscal year will be considered at the regular board meeting.
July 15	Deadline for publishing proposed budget and notice of hearing in the official newspaper.
July 31	Deadline for budget hearing.
October 1	Deadline for board approval of budget for the anticipated obligations of each fund for the fiscal year. By resolution, the school board will adopt a levy in dollars sufficient to meet the school budget for each fund.
October 1	Deadline for reporting to the county auditor the levy in dollars adopted by the board, on the forms prescribed by the county auditor.

In accordance with law, any changes in the proposed budget incorporated into the final budget, will be published in minutes thirty (30) days after the final adoption of the budget.

Adopted: November 11, 1996  
 Last Revised: December 10, 2012  
 Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-11-2; 13-11-2.1, 13-11-3  
 CROSS REFS.: DB, Annual Budget  
 DBH, Budget Adoption Procedures



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DBD**

#### **DBD : BUDGET PLANNING**

Budget planning for the district will be an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the school system. Budget planning will be a year-round process involving broad participation by administrators, supervisors, teachers, and other personnel throughout the school system, citizens and citizen groups.

The superintendent, in cooperation with the business manager, will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar. Principals and District Directors will develop and submit budget requests for their particular schools after seeking the advice and suggestions of staff members.

The budget request will reflect the principal's judgment as to the most effective way to use resources in achieving progress toward educational objectives of the school.

The board will give careful consideration to budget requests, review allocations for fairness and for their consistency with educational priorities of the school system.

Adopted: November 11, 1996  
Last Revised: December 10, 2012  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-11-2.1



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DBH**

#### DBH : BUDGET ADOPTION PROCEDURES

Adoption of the budget is solely the responsibility of the board. The board will adopt the budget following the public hearing for the proposed budget. The proposed budget will be published in the official newspaper at the time notice of the budget hearing is given.

If, as a result of the public hearing, it should be determined that certain changes in the budget are necessary, these changes will be made before the budget is adopted.

The school district shall report the amount budgeted to the county auditor according to the legal requirements, timelines, and method required by the state of South Dakota.

Adopted: November 11, 1996  
Last Revised: December 10, 2012  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-11-2 through 13-11-3.2

CROSS REFS.: DBC, Budget Deadlines and Schedules





## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DBJ**

#### DBJ : BUDGET IMPLEMENTATION

The district budget serves as the control to direct and limit expenditures. Overall responsibility for this control rests with the board, who delegates responsibility to the superintendent for establishing procedures for budget control and reporting throughout the district.

The superintendent is authorized to spend money called for in the budget classification without further approval of the board. School board approval must be secured to expend money in excess of the approved budget.

Adopted:	November 11, 1996
Last Revised:	March 12, 2007
Last Reviewed:	January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DBK

#### DBK : BUDGET SUPPLEMENTS AND CONTINGENCY TRANSFER AUTHORITY

By resolution, the school board may authorize supplements to the approved operating budgets as necessary. Budget supplements should be supported by a corresponding revenue source.

A contingency allowance may be budgeted within the General Fund. Upon approval of the school board, contingency funds may be transferred to any budget function of the General Fund.

Adopted: November 11, 1996  
Last Revised: March 12, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-11-2.1, 13-16-14; 13-16-26

CROSS REFS.: DIB, Types of Funds



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DC**

#### DC : TAXING AND BORROWING AUTHORITY/LIMITATIONS

##### **TAXING**

The district's taxing authority is established by state law. By resolution, the governing body of the school district may elect to opt-out of the tax limitation and impose an excess tax levy in accordance to state law.

##### **BORROWING**

By law, the board is permitted to borrow money in anticipation of the collection of taxes for the purpose of securing funds for school operations for the payment of previous loans. The amount of money borrowed cannot exceed the sum of 95% of the amount of uncollected taxes levied for the current school fiscal year, plus other uncollected receivables (including state or federal money, not yet received, but) owed to the district.

Adopted: November 11, 1996  
Last Revised: March 12, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: Constitution of the State of South Dakota, Article VIII, Section 4.  
SDCL 10-12-29, 10-12-30, 10-12-31, 13-10-6, 13-11-1,  
13-15-12, 13-16-10 through 13-16-14,  
13-19-1 through 13-19-29, 13-37-16A

CROSS REFS.: FC, Facilities Capitalization Program



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DD**

#### DD : FUNDING PROPOSALS AND APPLICATIONS

The superintendent will apprise the board of district eligibility for federal, state and foundation grants. The board will seek and use all funding that is consistent with the advancement of the educational program of the district and the policies of the board.

The preparation of these proposals will be supervised by the superintendent and will be coordinated with the budgetary practices and capital improvement program of the district.

Adopted: November 11, 1996

Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-39-13



## DD-R : FUNDING PROPOSALS AND APPLICATIONS

Grants may be initiated by citizens, teachers, individuals, or departments independently of the Administration Offices; all grants must be reviewed and approved, however, by the superintendent's office prior to submission to funding agencies. The administration office's will provide assistance and, where necessary, write grants for any department in the school district.

The superintendent or designee should sign all grant requests for the school district.

Proposals for grant extensions or continuing grants should be reviewed by the appropriate administrative office and signed by the superintendent or designee before submission to funding agencies.

Developers of grant requests should use the following guidelines:

- 1.) Program Purpose - Specific benefits to be derived from the proposal by:
  - a.) target population
  - b.) school district
- 2.) Need - Does the proposal address an unmet need of:
  - a.) school district?
  - b.) specific population in the school district?
- 3.) General Approach - How will proposed services to be derived from the proposal be delivered?
  - a.) direct services to target population
  - b.) research implications
  - c.) links with identified goals of the board of education
- 4.) Innovative Nature -
  - a.) links with existing programs
  - b.) responds to identified problems
- 5.) Anticipated Outcomes - The proposal should state in specific terms the expected outcome anticipated at the conclusion of the grant period.



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DD-R, Pg. 2/2**

- 6.) Resources Needed - The proposal should contain a detailed budget of all financial resources needed to operate the proposed program. If funding is needed from more than one source, specific sources and amount of requested funding are to be detailed. If funding is to be provided from board of education funds, prior approval must be obtained from the superintendent and the board of education.
- 7.) Post Grant Funding - Does the proposal require funding after termination of the requested grant? If so, where will the needed resources come from?
- 8.) Evaluation - Does the proposal provide for evaluation?

Adopted:	November 11, 1996
Last Revised:	March 12, 2007
Last Reviewed:	January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DE**

#### DE : REVENUES FROM TAX SOURCES

In an attempt to provide the best education possible within the financial resources available, the board will:

- 1.) Request adequate local funds for the operation of the school district. The amount of the financial support annually requested will yield sufficient revenue for the total expenses of the school district. On the fund financial statements, the portion of the property tax levies that have not been collected by the end of the fiscal year and are not available will be considered deferred revenue.
- 2.) Accept all available state funds to which the district is entitled by law or through state regulations.
- 3.) Accept all federal funds that are available providing there is a specific need for them and matching funds that are required are available.

Adopted: November 11, 1996  
Last Revised: September 13, 2004  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-11-7, 13-13-1 through 13-13-15,  
13-14-17 through 13-13-19; 13-13-24.1  
13-13-36 through 13-13-41  
13-13-47 through 13-13-52  
13-14-1 through 13-14-5



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DFA

#### DFA : REVENUES FROM INVESTMENTS

All accumulations in all school district funds shall be deposited in lawful depositories in checking accounts, savings accounts or time deposits, or invested, except as may be limited by law, and bond, registered warrants or promissory notes of the school district, or securities issued and guaranteed by the United States Government.

The interest accruing on such investment or deposit shall be credited to the respective fund or the General Fund.

The investment of funds, will be made by the business manager, after consultation with the superintendent of schools.

Adopted: November 11, 1996

Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 4-5-5, 4-5-8, 4-5-9, 4-5-11, 13-16-18





SECTION D – FISCAL MANAGEMENT

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POLICY: DFAA, Pg. 1/2

DFAA : INVESTMENT POLICY

**POLICY:** Pursuant to SDCL 4-5-8 it is the policy of the Dakota Valley School District to invest idle public funds in a manner to meet the daily cash flow demands of the school district with the primary objectives, in priority order, being: a) Safety b) Liquidity and c) Return.

**DELEGATION OF AUTHORITY:** Authority to manage the investment program is granted to the Business Manager who shall refrain from personal business activity that could impair his/her ability to make impartial decisions. The Business Manager acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy. In case of extended leave of absence, the Governing Board shall appoint a replacement Officer.

**AUTHORIZED FINANCIAL DEALER AND INSTITUTION:** The Governing Board authorizes the placement of cash resources in any of the following financial institutions:

- Security National Bank
- 1<sup>st</sup> Financial Bank
- Liberty Bank
- South Dakota Public Funds Investment Trust (FIT)

**AUTHORIZED AND SUITABLE INVESTMENTS:** The Dakota Valley School District is empowered by statute to invest in the following types of securities:

- Interest bearing checking accounts
- United States Treasury bills, bonds and notes (SDCL 4-5-6)
- United States Government Agencies (SDCL 4-5-6)
- Certificates of Deposit (CDs) - not to exceed 18 month maturities (SDCL 4-5-6)\*
- Certificates of Deposit (CDs) purchased through CDARS (Certificate of Deposit Account Registry Service) - not to exceed 18 month maturities (SDCL 4-5-6.1)\*
- Money Market Mutual Funds - open-end, no-load (SDCL 4-5-6)
- Repurchase Agreements fully collateralized by allowable securities (SDCL 4-5-6)
- Local Government Investment Pool

\*When investing in Certificates of Deposit (CDs) public funds will be invested at the highest rate of interest possible after attempting to secure three quotes.



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DFAA, Pg. 2/2**

**COLLATERALIZATION:** In accordance with the SDCL 4-6A, 51A-10-9, and 52-5-20 Qualified Public Depositories will furnish collateral in the sum equal to one hundred percent (100%) of the public deposit accounts that exceed deposit insurance. The financial institution shall submit a copy of their collateralization report to the Business Manager.

**REPORTING:** The Business Manager shall prepare an investment report not less than quarterly that provides a clear picture of the status of the current investment. The report may include the following: (Pie or Bar Chart)

- Percent invested in each security type (CD, US Treasury, money market funds, etc).
- Listing of investments by maturity date.
- Percent held by each financial institution.

**INTEREST EARNED:** The interest earned from investments shall be credited to the General Fund, with the exception of the Food Service Fund interest, which will be deposited into the Food Service Fund.

Adoption Date: May 8, 2006  
Last Reviewed: January 24, 2007  
Last Revised: December 10, 2012

Legal Reference: SDCL 4-5-8, SDCL 4-5-6, 4-5-6.1, SDCL 13-16-18,  
SDCL 4-6A, SDCL 51A-10-9, SDCL 52-5-20



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DFB**

#### DFB : REVENUES FROM SCHOOL-OWNED REAL ESTATE

In accordance with state law, the board may approve the leasing of any of its real estate for the exploration of oil and gas and its development. Property leased will not interfere with the purposes of the school district. Revenues received from the leasing of such property will be directed into the school district general fund.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 5-2-12, 5-2-13, 13-24-5 through 13-24-8, 13-24-10



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DFC**

#### DFC: GRANTS FROM PRIVATE SOURCES

Grant proposals for external funds shall be submitted to the board of education for evaluation and approval.

In the event an opportunity arises to submit a grant proposal and there is insufficient time to place it before the board, the superintendent is authorized to use his/her judgment in approving it for submission.

As soon as practical thereafter, the superintendent shall review the grant proposal with the board. The board reserves the right to reject funds associated with any grant which has been approved.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DFD**

#### DFD: REVENUE AVAILABILITY CRITERION

Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Dakota Valley School District considers revenues to be available if they are collected within 30 days of the end of the current fiscal period.

Adopted: September 13, 2004  
Last Reviewed: January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

**POLICY: DG**

#### DG : DEPOSITORY OF FUNDS

As provided by law, the board will designate a bank depository or depositories for the funds of the school district. It will be the responsibility of the business manager or designee to deposit the money belonging to the school district in the designated bank depository or depositories.

The county auditor and county treasurer will be notified by the business manager as to the designated depositories. The county treasurer will be responsible for transferring all money received during the prior month on behalf of the school district to the depository in accordance with state law.

Adopted: November 11, 1996  
Last Revised: March 12, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 4-6A-1 et seq., 13-8-10, 13-16-15;  
13-16-15.1; 13-16-18



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

**POLICY: DGA**

#### DGA : AUTHORIZED SIGNATURES

The business manager will draw and sign all checks or warrants for the payment of verified vouchers approved for payment by the board. Every check or warrant will be countersigned by the president or vice-president of the board. The check or warrant will specify the person, firm or corporation to whom paid.

No check or warrant will be drawn by the business manager except for the indebtedness incurred prior to its issue and upon the presentation of an itemized invoice, duly verified. The invoice and verification will be retained by the business manager and placed on file in his/her office. Signature stamps should be stored in separate locations.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-8-26, 13-18-2, 13-18-8



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

**POLICY: DH**

#### **DH : BONDED EMPLOYEES AND OFFICERS**

School district business managers must be bonded for an amount determined by the school board. The bond of the business manager will not be less than the amount that may come into his/her possession at any one time during the school fiscal year.

School personnel authorized to be in charge of trust and agency funds must also be bonded as provided by law. When several school district personnel need to be bonded, the board will approve a blanket bond.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 3-1-5, 3-1-8, 3-19-1 through 3-19-3, 13-8-18  
through 13-8-21, 13-16-19; 13-16-20

CROSS REFS.: BCC, Appointed Board Officials





## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

#### POLICY: DI

#### DI : FISCAL ACCOUNTING AND REPORTING

The business manager will be designated by the board to be responsible for receiving and properly accounting for all funds of the district.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB.

Governments also have the option of following subsequent private sector guidance for the business-type activities and enterprise funds, subject to the same limitation. Our entity has elected **not** to follow subsequent private sector guidance.

The business manager will report all financial information to the state as required. The board will receive monthly financial reports from the business manager that will include a statement of operating receipts and expenditures, and balance on hand in the several funds, and any other financial information that should be brought to the board's attention.

Adopted:	November 11, 1996
Last Revised:	September 13, 2004
Last Reviewed:	January 27, 2016

LEGAL REFS.: SDCL 4-11-6, 13-8-11, 13-8-27, 13-8-28, 13-16-19



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

#### POLICY: DIA

#### DIA: BASIS OF ACCOUNTING

The Dakota Valley School District (government-wide) financial statements will be prepared using the economic resources measurement focus and the accrual basis of accounting as will the proprietary fund and fiduciary fund financial statements.

Governmental fund financial statements will be reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Adopted: September 13, 2004  
Last Reviewed: January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DIB

#### DIB : TYPES OF FUNDS

School district funds are all moneys received the by the school district or schools within the district or as a result of an activity carried on by the district.

All school district funds will be dispensed among the following funds: general fund, capital outlay fund, special education fund, public service enterprise fund, food service (proprietary) fund, trust and agency fund and/or bond redemption fund.

Sources for school district funds include: income from school property, school district borrowing through bonds or promissory notes, taxes, funds received from federal, state or other political subdivisions, funds received from individuals or organizations through paid admission, payments for materials, services, gifts or trusts, funds received from fines and penalties, and any other funds received by the school district or schools from any other source.

The Dakota Valley School District food service fund distinguishes operating revenues and expenditures from non-operating items. Operating revenues and expenses generally result from providing services and producing goods relating to the food service operation. Principal operating revenues of this operation are meal charges. Non-operating revenues include grants, donated commodities and interest earned. Operating expenses of the food service operation include salaries and benefits, food purchases and depreciation. The loss on disposal of capital assets is a non-operating cost.

Adopted: November 11, 1996  
Last Revised: September 13, 2004  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-6-1 through 13-6-4

CROSS REFS.: DBK, Budget Transfer Authority  
FC, Facilities Capitalization Program  
IGDG, Student Activities Funds Management



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

#### POLICY: DIC

#### DIC : FINANCIAL REPORTS AND STATEMENTS

It will be the responsibility of the business manager to prepare monthly financial reports for the board's review. Reports will include budget, trust and agency funds, and special accounts.

At the close of the fiscal year, the business manager will report to the county auditor the total indebtedness of the district, the purpose for which issued, the liabilities, assets, resources and expenditures, and the total receipts and disbursements.

Adopted: November 11, 1996

Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 6-9-1, 13-16-21

CROSS REFS.: BCC, Appointed Board Officials



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

---

**POLICY: DID**

#### DID : INVENTORIES / CAPITALIZATION OF ASSETS

The school district shall annually conduct an inventory of personal property to be made and placed on file with the business manager as required by SDCL 5-24-1.1.

General accepted accounting principles require the establishment and maintenance of fixed asset records for school districts. Fixed or capital assets are divided into five categories: equipment, land, buildings, improvements other than buildings, and construction work in progress.

- Equipment with an acquisition cost of \$ 5,000 or more, and an expected useful life greater than one year shall be included on the district's capital asset listing for depreciation purposes. The business manager shall determine when equipment valued at less than \$ 5,000 will be included on the listing (not depreciated) for inventory control purposes.

Food service equipment exceeding \$ **2,500** acquisition cost will be inventoried and depreciated in the appropriate proprietary lunch fund.

- All land will be considered a capital asset. If historical costs are not readily available, assets will be carried at estimated values.
- Buildings, improvements other than buildings, and construction work in progress; shall be recorded as a capital asset when the initial cost exceeds \$ 25,000.

Fixed assets shall be marked by a permanent method of identification. Periodic inventories should be taken by personnel designated by the superintendent or business manager.

Adopted: November 11, 1996  
Last Revised: December 10, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 5-24-1, 5-24-3, 13-16-6  
ARSD 10:02:01:01



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DID-1**

#### **DID – 1 : CAPITAL OUTLAY FUND ACQUISITION**

In the acquisition of or additions to real property, plant, or equipment, any expenditure of \$1,000 or more shall be paid from the capital outlay fund as required by SDCL 13-16-6.

The \$ 1,000 limitation shall apply to the total of each asset type on an invoice. Equipment purchases per invoice of less than \$ 1,000 may be acquired from either the general or capital outlay fund.

*13-13-6 states that \$ 1,000 or less may be paid from the Capital Outlay Funds*

Adopted: November 11, 1996  
Last Revised: January 14, 2013  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 5-24-1, 5-24-3, 13-16-6.  
ARSD 10:02:01:01



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DIE

#### DIE : AUDITS

The school district shall have financial and compliance audits performed at least every two years. The audits shall be performed in accordance with generally accepted government auditing standards. The audits may be done by the Department of Legislative Audit or by a private auditing firm authorized by law to audit the financial records of school districts.

For any necessary reason an audit of the books of any school district may be called at any time by the auditor-general of the state, the school district board or the voters of the district by petition signed by twenty percent (20%) of the resident taxpayers of the district as shown by the assessment roles of the preceding year and presented to the school board, or the auditor-general of the state.

Not less than ten days after the date of filing the audit reports, the Department of Legislative Audit or the private auditing firm, whichever performed the audit, shall publish for two issues in each of the official papers of the school district a brief statement of the fact that the audit was made, where the audit may be found on the file for public inspection, and a brief recital of the substantial items of error, irregularity, or loss which were discovered, but with enough detail so that the public is informed of the important findings of the audit.

The business manager, or designee, of the school district shall be designated by the board to be in charge of a trust or agency fund and shall monthly and annually submit reports to the school board. The fund shall be audited as part of the regular audit of the school district.

Adopted: November 11, 1996  
Last Revised: April 16, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 4-11-5, 4-11-12 through 4-11-21,  
13-16-28, 13-16-21



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DIF

#### DIF : CASH AND CASH EQUIVALENTS

For the purpose of this policy; cash equivalents are defined as short-term, highly liquid investments that are both:

- a. Readily convertible to known amounts of cash in less than ninety (90) days.
- b. So near in their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Generally, only investments with original maturities of three months or less meet this definition.

The Dakota Valley School District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three (3) months or less from the date of acquisition.

Adopted: September 13, 2004  
Last Reviewed: January 27, 2016





## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DIG

#### DIG : RESTRICTED AND UNRESTRICTED RESOURCES

When both restricted and unrestricted resources are available for use, it is the policy of the Dakota Valley School District to use the restricted resources first, then unrestricted resources as they are needed. Restricted funds are those funds that must be used for a categorical or specific purpose as defined by statute or special agreement. Unexpended restricted funds will revert back to the fund of origin.

For purposes of classifying Level II funding, the district's financial sponsorship is considered a restricted resource. Financial support from other sources for Level II activities shall be considered an unrestricted resource which shall be reserved for its intended use.

Adopted: September 13, 2004  
Last Reviewed: January 27, 2016



**DJ : PURCHASING**

The function of purchasing is to serve the educational program by providing the necessary supplies, equipment and services.

The board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. The board will abide by the letter and the spirit of all laws and regulations relating to purchases by the school district and the control of its finances and property. All contracts must be approved by the board in order to be binding on the school district.

Within the framework of applicable laws and regulations, purchases and use of materials and manpower will be made in accordance with good business practices with the primary purpose of serving the instructional program.

The superintendent or designee will serve as the purchasing agent. He/she will develop and administer the purchasing program for the schools with the assistance of the business manager, within the legal requirements and the adopted school budget.

School purchases will be made only on official purchase orders/or credit cards approved for issuance by the appropriate unit head and signed by the superintendent or designee, with such exceptions as may be the latter for emergency purchases and those made with petty cash funds.

Adopted:	November 11, 1996
Last Revised:	January 14, 2013
Last Reviewed:	January 27, 2016

LEGAL REFS.: SDCL 13-16-22, 13-16-24, 13-20-1, 13-20-3



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DJB**

#### DJB : PETTY CASH ACCOUNTS

In accordance with law, the board may establish petty cash accounts for the schools in the district, not to exceed the amount of \$100.00 in each account. This account may be used to facilitate refunds and minor purchases of the school district.

Expenditures against this account must be itemized, documented with receipts, and will be charged to the applicable fund. After a budget item is exhausted, no expenditures against the item may be made from petty cash.

The board will authorize an employee in the business office to be accountable for the petty cash account. Disbursements from the account will not require board approval or the signature of the board president or the business manager.

Adopted:	November 11, 1996
Last Revised:	April 16, 2007
Last Reviewed:	January 27, 2016

LEGAL REFS.: SDCL 13-18-16



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DJBA

#### DJBA : INCIDENTAL ACCOUNTS (Trust and Agency)

In accordance with law, the board may establish an incidental account in an amount determined by the board by setting aside on an impress basis money from the general fund. This fund may be used for advanced payment or for claims requiring immediate payment, not to exceed the amount established by the board.

Expenditures against this account must be itemized, documented with receipts, and will be charged to the applicable fund. After the budget item is exhausted, no expenditures against the item may be made from the incidental account. The business manager or designee shall be accountable for the incidental account.

All expenditures from this account shall be listed with other bills in the regular school board proceedings.

Adopted:	November 11, 1996
Last Revised:	April 16, 2007
Last Reviewed:	January 27, 2016

LEGAL REFS.: SDCL 13-18-17



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DJBB

#### DJBB : NON-SUFFICIENT FUNDS CHECK COLLECTION

The Dakota Valley Board of Education has adopted a policy for the collection of checks returned for non-sufficient funds (NSF).

Notice of Dishonor will be mailed to check-writer with a \$ 10.00 handling fee assessed. If the check is for school lunch, the handling fee will also be charged back against the account(s) of origin.

The returned check (and fee) must be paid within 14 calendar days of notice being sent.

Checks and/or lunch account balances that remain unpaid after 14 days will be submitted for collection and/or prosecution in accordance with state law.

Adopted:	February 8, 1999
Last Revised:	May 14, 2007
Last Reviewed:	January 27, 2016



### DJC : BIDDING REQUIREMENTS

In accordance with state bidding laws, (SDCL 13-20), contracts must be let for all purchases except in the following cases:

- 1.) For textbooks and text-related workbooks;
- 2.) For an emergency maintenance need that would necessitate the closing of school while it would otherwise be in session or which will endanger the usefulness of remaining school property;

(Even in an emergency situation, as far as practicable, the board will secure at least two (2) competitive quotations and retain them in its files. A meeting will be held finding such an emergency and the minutes reflecting this. At the next meeting of the board, the minutes will contain a statement of the quotations received, identifying the bidder and the amount of the bid.)

- 3.) When purchasing facilities, equipment and supplies from another school district including public auctions;
- 4.) Upon the purchase of copyrighted materials that are copyrighted by only one (1) company;
- 5.) For the purchase of electric power, light, water or gas;
- 6.) For the purchase of perishable food, except milk and bread, raw materials used in the construction or manufacture of products for resale, and contracts for asbestos removal in emergency situations;
- 7.) For the purchase of contracts for services provided by individuals or firms for consultants, audits, legal services, architectural services, engineering services, group life and health insurance contracts for employees; and,
- 8.) Transportation and transportation for students.



SECTION D – FISCAL MANAGEMENT

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POLICY: DJC, Pg. 2/3

Bids for materials, supplies or equipment exceeding the bid limit per state law will be advertised and printed in the official newspaper of the district for at least two (2) consecutive weeks, and at least 10 days prior to the opening of bids. The advertisement will state the time and place the bids will be opened and passed upon by the board. In the notice, the board will reserve the right to reject any and all bids.

When the contract is for the construction of a public improvement, the advertisement must state where the plans and specifications may be examined. In specifying or purchasing goods, merchandise, supplies or equipment, the board will not specify any trade-mark or copyrighted brand on any product or any patented product, apparatus, device or equipment where proper competition will be prevented unless bidders also are asked for bids or offers upon other articles of like nature, utility and merit, and naming the make or brand to indicate the type or quality specified.

The sealed bids will be publicly opened and read at the time and place stated in the advertisement. Any bid may be withdrawn or modified before the time of opening as specified in the advertisement. Unless all bids presented are rejected, the lowest responsible bid, in all cases must be accepted.

If, after advertising for bids, no bids are received, the board may negotiate a contract for the purchase of the materials, supplies or equipment at the most advantageous price. However, such materials, supplies or equipment will meet the specifications of the original advertisement for bids.

The board will contact and attempt to obtain competitive quotations from at least three (3) suppliers. A record of the names of the suppliers, the quotations received and the procurement procedures used in purchasing will be documented, noted in the minutes, and retained on file by the board. The board may reject all bids and negotiate a contract if, after advertising, no firm competitive bids are received.

When supplies or equipment, or construction or remodeling services are to be purchased, the board may require a reasonable deposit or bid bond by the bidders and reserves the right to reject any and all bids. The deposit or bonds must be returned to unsuccessful bidders immediately. No more than 30 days will elapse between opening of bids and acceptance of the lowest responsible bidder or rejection of all bids.



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DJC, Pg. 3/3**

When supplies and equipment are received, they will be opened and inspected by the purchasing agent, and compared with the written order to see that they were received as ordered and in acceptable condition for payment. If someone other than the purchasing agent receives such supplies or equipment for the school district, this person will be required to sign the voucher for payment to the effect that they were received as ordered. The purchasing agent of the school district will sign all vouchers before the board authorizes their payment.

Adopted: November 11, 1996  
Last Revised: April 16, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-20-3 through 13-20-8, 13-16-6.1

A.G. Opinion 77-65, 77-76 , 77-87, 85-24, 86-01,  
and 86-2

CROSS REFS.: FEFB, Contractor's Affidavits and Guarantees





## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DJD**

#### DJD : LOCAL PURCHASING

The board will give preference to products found, produced or manufactured within the State of South Dakota when purchasing materials, products and supplies for the school district.

Contracts may be awarded to out-of-state bidders if the service or product required cannot be provided by an in-state bidder. A resident bidder shall be given preference on a contract against the bid of any bidder from any other state that has a bidder preference law. The preference given shall be equal to the preference of the other state. In bids for milk or milk products, the resident bidder shall receive the local bid contract if his/her bid is equal to, or within 5% or less of any other bidder.

Adopted:	November 11, 1996
Last Revised:	January 14, 2013
Last Reviewed:	January 27, 2016



DJF : PURCHASING PROCEDURES

All materials to be ordered by the school district staff, whether for local or out-of-town orders, must be requisitioned through the superintendent's office for processing by the business office. The business office will maintain a central record system for the purpose of combining orders, avoiding duplication of purchases, taking full advantage of lowered prices for bulk purchasing, to follow-up on delayed orders of delivery and to reconcile deliveries of orders before payment is made. This delivery control will be applied to all purchases, regardless of point of delivery.

Principals and department heads will examine carefully all requisitions submitted by teachers, custodians and other employees for supplies, equipment and services. They will be responsible for verifying that items requested are needed before signing the requisition and sending it to the superintendent, or designee.

All orders must include the name and address of the supplier as well as the purchase price. If the exact price is unavailable, an estimate of the cost should be given.

If any person orders materials other than through the superintendent's office, he/she will be responsible for their payment.

Building principals may authorize their staff members to locally purchase supplies for immediate use in the classroom using the principal's credit card. All credit card receipts must be turned into the business office with the name of the staff member making the purchase written on the receipt.

Adopted:	November 11, 1996
Last Revised:	January 14, 2013
Last Reviewed:	January 27, 2016



**SECTION D – FISCAL MANAGEMENT**

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**POLICY: DJF-1**

**DJF 1 : ADVANCE PURCHASING POLICY**

Recognizing the potential cost savings to the school district, certain purchases may be expended from the school Trust and Agency impress fund and approved by the board of education at the next regularly scheduled meeting. The following criteria must be met for such purchases to occur:

- 1.) The purchases must be pre-authorized by the Superintendent or Business Manager;
- 2.) Current budget must exist to cover the expenses; and
- 3.) Equipment purchased must be inventoried immediately after purchase by the Business Manager, or designee.

**ADVANCE PURCHASING PROCEDURES**

School supplies or equipment may be purchased by school employees if the following procedures are followed:

- 1.) Items to be purchased must be listed on a request form which would indicate the item, estimated cost per item, and estimated total purchase cost. The list must be presented to the business office one business day prior to the purchase to be reviewed by the Superintendent, Business Manager, or Assistant Business Manager.
- 2.) The business office will check the purchases against the current budget to confirm that there is adequate budget to purchase the item.
- 3.) Upon completion of the purchase, an itemized cash register receipt or invoice must be supplied to the business office. The Business Manager or designee will verify the items purchased matches the request form and attach the receipt or invoice to the request form.

Purchases must be for school supplies and equipment only since these purchases qualify for tax exempt status and will be paid directly to the vendor or reimbursed to the school district employee upon the completion of the procedures above.

Any personal items purchased by the employee must be receipted and paid for separately by the employee.

Adopted: August 10, 1992  
Last Revised: March 11, 2013  
Last Reviewed: January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DK

#### DK : PAYMENT PROCEDURES

All claims for payment from district funds will be processed by the business manager. Payment will be authorized against invoices properly supported by approved purchase orders, against properly submitted vouchers, or in accordance with salaries and salary schedules set by the board. Payment requests are due by 4:00 p.m. on the Monday preceding the first regular board meeting of each month.

List of accounts payable, including payroll lists, will be certified by the superintendent and approved by the board. Each registered warrant will be signed by the board president and the business manager will sign the endorsement statement. Actual invoices, statements and vouchers will be available for board inspection.

The business manager will assume responsibility for assuring that budget allocations are observed.

The school principals and district directors will be responsible for observing budget allocations in their respective schools or departments. Each building principal will also serve as custodian of the activity accounts in his/her respective school and will be responsible for their proper handling and expenditures.

Adopted: November 11, 1996  
Last Revised: April 16, 2007  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-18-9 through 13-18-13



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DK-1

#### DK -1 : EMERGENCY PAYMENT OF ACCOUNTS PAYABLE WITH/WITHOUT BOARD APPROVAL

In the event of an "emergency" situation, i.e., problems with the computer system, after-deadline billings that must be paid in a particular month, etc., the board of education has authorized payment as follows:

- 1.) Amounts up to \$500 can be approved (and payment made) by the superintendent of schools and the business manager; and,
- 2.) Amounts over \$500 and up to and including \$1,500 must have board president, superintendent of schools and business manager approval.

Adopted:	August 14, 1995
Last Revised:	November 11, 1996
Last Reviewed:	January 27, 2016



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DLA

#### DLA : PAYDAY SCHEDULES

The board has established that all certified and classified employees will be paid for their services on the tenth and twenty-fifth day of each month.

**CERTIFIED PAY DATES:** The salary on each contract shall be paid in twenty four (24) installments on the 10<sup>th</sup> and 25<sup>th</sup> of each month unless the payment date shall fall on Saturday, Sunday, a holiday, or during a vacation period; in that event, the payment shall be made on the last working day prior to such Saturday, Sunday, holiday, or vacation period. The first check will be issued on September 10<sup>th</sup>.

**CLASSIFIED PAYROLL DATES:** Classified payrolls occur on the 10<sup>th</sup> and 25<sup>th</sup> of each month. Time cards will be sent to the Business Office on the 15<sup>th</sup> of each month, and on the last working day of each month. If the payday falls on a non-work day, the paychecks will be issued on the last working day prior to the non-work day.

Adopted:	November 11, 1996
Last Revised:	January 14, 2013
Last Reviewed:	January 27, 2016

CROSS REFS.:      DVEA Negotiated Agreement  
                         DVCEA Negotiated Agreement



## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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**POLICY: DLB**

#### DLB : SALARY DEDUCTIONS

Deductions will be made from the paychecks of all employees for federal income tax, state tax where applicable, for retirement in keeping with state requirements and for FICA (Social Security).

In addition, the board authorizes the following types of deductions from employees salaries, provided the employee has filed the proper permission or payroll withholding:

- 1.) Employee contributions to the health, dental, and cancer insurance programs, and any other similar programs that are or may be approved by the board;
- 2.) Deductions for tax-sheltered annuity programs;
- 3.) Deductions for credit unions, savings and loans, or banks;
- 4.) Deductions for Association dues.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 3-10-1 et seq., 3-11-1 et seq., 3-12-46 et seq., 3-13-39 et seq.

CROSS REFS.: DVEA Negotiated Agreement



**DLC : EXPENSE REIMBURSEMENTS**

Personnel and officials who incur expenses in carrying out their authorized duties will be reimbursed by the district upon submission of a properly filled out and approved voucher and such supporting receipts as required by the business manager. Reimbursement will be in accordance with board approved travel allowance, which will comply with the limits established by the State Board of Finance.

Such expenses may be approved and incurred in line with budgetary allocations for the specific type of expense.

When official travel by personally owned vehicle has been authorized, mileage payment will be made at the rate currently approved by the board, and in accordance with the State Board of Finance.

School district employees and members of the board will be reimbursed for certain out-of-pocket costs incurred while traveling out-of-district for school-related activities.

Only expenses essential to the purpose of the trip will be reimbursed. Expenditures for telephone calls home, entertainment and similar expenses are personal in nature and are not reimbursable.

Receipts will be required for all expenses over \$5.00. This includes receipts for airline tickets, motel bills, taxi or other airport transportation, and all other expenditures.

The maximum travel allowance for meals and lodging will be state rates for in-state travel, and will be approved at the regular annual meeting.

Adopted: November 11, 1996

Last Revised: January 14, 2013

Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 3-9-1, 3-9-2, 3-9-5, 3-9-5.1, 3-9-5.2;  
3-9-8 through 3-9-17, 4-7-10.4  
Governor's Budget Report, (odd-numbered years)  
GCL, Professional Staff Development Opport.  
GDL, Support Staff Development Opportunities





## DAKOTA VALLEY SCHOOL DISTRICT No. 61-8

### SECTION D – FISCAL MANAGEMENT

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#### POLICY: DM

#### DM : CASH IN SCHOOL BUILDINGS

Money collected by school district employees and by student treasurers' will be handled with good and prudent business procedures both to demonstrate the ability of school system employees to operate in that fashion, and to teach such procedures to the students.

All money collected will be receipted, accounted for and deposited properly.

The amount of money retained overnight in schools will be limited to that needed for day to day operation. All depositories used by the school district will provide for making bank deposits after regular banking hours in order to avoid leaving large sums of money in the building overnight.

Food Service receipts, other than money needed for daily operations, will be deposited daily.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016



**DN : SCHOOL PROPERTIES DISPOSAL PROCEDURE**

The board may sell property of the school district that it considers no longer necessary, useful or suitable for school purposes, as set by state law. All property sold, must be appraised by three real property owners of the school district. The governing board may employ a person(s) licensed by the state to do fee appraisals in lieu of property owners.

Property appraised for less than \$500.00 may be sold without advertising for bids. Property, including property created as a result of an education program, appraised for more than \$500.00 will be advertised for sale in the official newspaper for two consecutive weeks, the first publication may not be less than 15 days before the sale. The notice of sale will describe the property to be sold, and it will state the appraised value and the time when bids will be opened by the board. Sealed bids will be filed with the business manager and opened at the board meeting as specified in the notice.

The board will sell the property to the highest bidder.

In lieu of the acceptance of bids, school property may be sold at public auction. The auction will be advertised by posting notices and newspaper advertising as described above. Property sold at public auction need not be appraised but the board should establish minimum price.

Any school district library may discard over-duplicated, outdated inappropriate, or worn library materials in accordance with state laws. Such discarded materials may be given to other libraries or to nonprofit agencies, destroyed, offered for public sale or traded to a vendor for future library material purchasing credits.

By law, the district may also exchange or transfer property to the city, town or county within or partly within its boundaries. The terms and conditions of this exchange or transfer will be determined by the board and the governing board of the respective jurisdiction, as set by law.

Adopted: November 11, 1996  
Last Reviewed: January 27, 2016

LEGAL REFS.: SDCL 13-15-7, 13-21-1 et seq., 13-24-4, 13-24-9