

FISCAL MANAGEMENT GOALS

The Board of Education recognizes excellent fiscal planning as a key factor in attaining the district's educational goals and priorities. The Board seeks to engage in thorough advance planning of budgets and to devise expenditures which achieve the greatest educational returns given the district's available resources.

The Board establishes sound fiscal management policies based on the following tenets:

1. All laws and regulations governing the use of public funds shall be strictly adhered to.
2. All district monies shall be expended in an efficient and judicious manner, to bring the greatest benefit to the district.
3. Funds for which the district has no immediate need shall be legally invested where they can bring the greatest return.
4. All receipts and expenditures shall be recorded fully and in the proper manner.
5. The district shall seek and receive all state and federal funds for which it qualifies.
6. All funds, including cash in buildings, extra-classroom account funds, gifts, and bequests shall be provided maximum protection from misappropriation.
7. A formal process shall be developed linking fiscal resources and program priorities to the budget.
8. The budget shall reflect the views of administrators, teachers, students, and taxpayers in translating the educational needs and aspirations of the community in a composite financial plan.
9. To the extent possible, program evaluation shall be used to assess the effectiveness of all educational programs provided to district students, and future appropriations shall be adjusted accordingly.

Adoption date: June 15, 2006

Revised: December 2, 2010

ANNUAL BUDGET

The budget is a financial plan to provide students the best possible education consistent with the community's aspirations and resources. It represents a best estimate of the next year's needs, based on past experience, known costs and projections of future costs.

The school budget is the legal basis for the establishment of the tax levy. It is the official document that describes the programs to be conducted during a given period of time. It is the operational plan, stated in financial terms, for the conduct of all programs in the school system.

The Board establishes general financial parameters. The Superintendent is responsible for presenting a plan which in his or her judgment will best achieve the district Mission and broad Board goals and at the same time meet the parameters. The Board considers the plan in terms of how it helps achieve the Mission and broad Board goals. The Board considers broad educational needs, the funding necessary to meet them, sources and overall levels of revenue including all legal restrictions placed on the increase in the tax levy. The trustees discuss any potential areas for focus substantially in advance, informing the professional staff so that they may provide data. Trustees agree as a group on the topics of any significant exploration.

The annual school budget process is important to school district operations and serves as a means to improve communications within the school organization and with the residents of the school community.

After the budget has been approved by the district voters, the Superintendent is responsible for seeing that personnel use it responsibly.

Ref: Education Law §§1608; 1716; 1804(4); 1906(1); 2008(2); 2021; 2002(1); 2022(2); 2035(2); 2601-a
General Municipal Law §36

Adoption date: June 15, 2006

Revised: January 16, 2014

BUDGET PLANNING

The annual budget should be compatible, to the maximum extent possible, with long-range aims of the school district. When planning annual budgets, it is important that the board consider immediate needs in light of the considerations facing the district over a longer period, including the district's mission statement and its broad educational goals. Other information available that may help to assess potential stresses on community resources, such as a 5-year capital expenditure plan or potential alterations in tax assessment, apportionment and/or collection policies, should also be carefully evaluated.

The budget derives from student and teacher needs, consolidated at the building and then the district levels. The Superintendent of Schools shall determine the manner in which the budget is to be compiled and issue instructions to the staff. He or she shall also cause to be established a time schedule for its preparation, known as the "budget calendar." The budget calendar shall be approved by the Board of Education in advance of the preparation of the district's annual budget. On or before the last day of February each year, the Superintendent will present the Board a proposed budget reflecting his or her best judgment about needs for the following year.

The budget shall be carefully organized and planned to provide adequate accounting for each program expenditure, understanding of the financial needs of anticipated program developments, and be within the financial limitations of the district. To assist in budget and long-range planning, ongoing studies of the district's educational programs will include estimates of the fiscal implications of each program. Proposed personnel needs will be submitted prior to the adoption of the tentative budget.

Requests for major capital items and major repairs will be submitted as part of the Superintendent's proposed budget except in emergency. Insofar as practicable, such emergency requests will be submitted to the Board at the time the emergency occurs.

The budget for the ensuing school year shall be thoroughly reviewed and approved by the Board before being presented to voters for final adoption. The board shall ensure that adequate resources are available for dissemination of clear, complete and user-friendly budgetary materials developed in accordance with state education regulations.

Ref: Education Law §§1608(2)-(4); 1716(2)-(4); 1804(4); 1906(1); 2002(1); 2003(1); 2004(1); 2022(2); 2601-a
Fiscal Management (NYSSBA, 1997)

Adoption date: June 15, 2006

Revised: December 2, 2010

BUDGET PLANNING REGULATION

The budget calendar prepared by the Superintendent of Schools shall include:

- a schedule which sets forth all important meetings and dates, including deadlines for budget proposals from within the district;
- commencement dates and deadlines for certain budgetary tasks such as the estimation of all revenues and income expected to be received by the district;
- events such as the preliminary dates for the Board of Education's consideration of the tentative budget.

The budget calendar will also set forth the name of every individual (or their title) who is assigned to perform a particular task with regard to the development of the budget.

As part of the budget planning process, the Superintendent or Assistant Superintendent for Business will evaluate:

- the educational philosophy, goals and objectives of the district and their modification where required;
- the district education program and support systems such as transportation and business affairs;
- census and enrollment projections;
- the condition of the physical plant for operation and maintenance needs and new construction;
- debt service schedules; and
- estimated revenue from sources other than the property tax, such as state and federal aid.

Adoption date: June 15, 2006

Revised: January 16, 2014

BUDGET TRANSFERS

The transfer of funds between and within functional unit appropriations of the General Fund is commonly required during the school year. The Superintendent of Schools, in accordance with the Regulations of the Commissioner of Education, is authorized to make budget transfers within the same function code, so long as the transfer for any one item does not exceed \$10,000, and between line item accounts, so long as the transfer for any one item does not exceed \$5,000.00. All transfers in excess of \$10,000 require prior Board of Education approval. The Superintendent will report any transfers to the Board as an information item on a quarterly basis.

Ref: Education Law §1718
8 NYCRR §170.2(l)

Adoption date: June 15, 2006
Reviewed: October 30, 2008
Revised: December 18, 2008
Revised: June 4, 2009

Wire Transfer Procedures

The following procedures shall be followed for all wire transfers:

- The Treasurer shall prepare a wire transfer form and attach supporting documents for the purpose of transfer. This wire transfer form shall include the source and the destination bank account information as well as journal entries for internal transfers between school district bank accounts or for permitted electronic payment. (i.e., ERS, TRS) The Assistant Business Manager shall authorize all such transfers by signing the wire transfer form. The Assistant Superintendent for Business shall be permitted to authorize wire should The Assistant Business Manager be unavailable.
- Once the authorization for the transfer has been granted, the Treasurer shall sign onto the bank's secure website to initiate the wire transfer. Each bank account access shall be protected by two sets of passwords. One password, shall be chosen by the Treasurer changes as per the bank's system security regulations. The second password shall be token generated.
- The Treasurer shall use the pre-set which can only be set up by the Assistant Superintendent for Business, to initiate the authorized transfer. A pending transfer report shall be printed from the bank's website and attached to the transfer packet. This packet shall be returned to the Assistant Business Manager for online approval. The Assistant Business Manager shall sign onto the bank's secure website, approve the pending transfer online, print a confirmation of the transfer and attach all the documentation to the wire transfer packet..
- The completed packet shall be given to the Central Office Senior Accounts Clerk for input into Wincap as a cash receipt and/or disbursement. A system generated cash receipt number assigned by Wincap which identifies the transaction shall be recorded on the cash receipt packet.
- The packet shall then be filed in a monthly cash receipt binder which is kept by the Central Office Senior Accounts Clerk..
- All Wire transfers are recorded in the Cash Pad by the Treasurer.

Adoption Date: December 15, 2011
Revised: January 16, 2014

FUND BALANCE POLICY

Purpose

The Board of Education recognizes that the maintenance of a fund balance is essential to the preservation of the financial integrity of the school district and is fiscally advantageous for both the District and the Taxpayer in that it helps mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and assists in ensuring stable tax rates. This policy establishes goals and provides guidance concerning the desired level of year-end fund balance to be maintained by the District.

Background

The Governmental Accounting Standards Board (GASB) issued GASB Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions. Statement 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications for Governmental Funds: non-spendable, restricted, committed, assigned and unassigned. The statement goes into effect for financial statements ending June 30, 2011.

Definitions

Fund balance is a measurement of available financial resources that represents the difference between total assets and total liabilities in each fund.

Governmental Accounting Standards Board (“GASB”) Statement No. 54 distinguishes fund balance classifications based on the relative strength of the constraints that control the purposes for which specific amounts can be spent. Beginning with the most binding constraints, fund balance amounts will be reported by the following classifications:

Non-spendable – amounts that cannot be spent because they are in a non-spendable form (e.g., inventory) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Restricted – amounts limited by external parties, or legislation (e.g., grants or donations, legal reserve funds).

Committed – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority (i.e.: Board of Education): to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.

Assigned – amount intended to be used for a specific purpose; intent can be expressed by the Board of Education or by an official or body to which the Board delegates the authority.

Unassigned – amounts available for consumption or not restricted in any manner. These amounts are reported only in the General Fund.

Guidelines

The fund balance of the District's General Fund has been accumulated to provide stability and flexibility and to respond to unexpected adversity and/or opportunities.

In accordance with the limits imposed by New York State Real Property Tax Law §1318, the Board of Education will strive to maintain an unassigned general fund balance of not more than four percent (4%) of the budgeted expenditures for the ensuing fiscal year. The decision to retain an unrestricted fund balance of four percent of the expected expenditures stems from the need to support normal operating costs for the District and provide fiscal stability.

If the unassigned portion of the fund balance exceeds four percent, the Board of Education will evaluate current reserves and designations in order to determine the final distribution of fund balance in any fiscal year in consideration of estimated liabilities of the District and sound financial planning.

Fund Balance Classifications – Governmental Funds:

The following is a listing of the new classifications for the Reserves and Designations that may be established and used by our school district.

Non-spendable Fund Balance:

- Reserve for Inventory – is used to restrict that portion of fund balance, which is not available for appropriation. The reserve is accounted for in the school lunch fund.

Restricted Fund Balance:

- Reserve for Tax Certiorari (Education Law §3651.1-a) – is used to establish a reserve fund for tax certiorari. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings.
 - To determine amounts that might reasonably be deemed necessary, the Business Office will annually evaluate certiorari petitions and settlement trends, in conjunction with local town assessor opinions and data regarding potential settlements.
 - Proceeds from this reserve will be used first to pay certiorari obligations before general fund appropriations and any other fund balance
- Reserve for Unemployment (GML § 6-m) – is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method (self-funded). The reserve is accounted for in the general fund.

- This reserve is evaluated by the Business Office on an annual basis based on anticipated claims.
 - Proceeds from this reserve will be used to pay for unemployment claims for which insufficient or no general fund appropriations have been provided.
- Reserve for Employee Benefit Accrued Liability (GML § 6-p) – is used to reserve funds for the payment of accrued employee benefits due and owing to an employee upon termination of the employee’s service. The reserve is accounted for in the general fund.
 - The maximum amount for this reserve will be calculated annually based on estimated termination benefits accruing to employees as of the end of each fiscal year.
 - Proceeds from this reserve will be used first, before general fund appropriations and any other fund balance, to pay any employee termination benefits due and owing.
- Reserve for Retirement Contributions (GML § 6-r) – is used to pay any portion of the amount(s) payable by the school district to the New York State and Local Employees’ Retirement System (ERS). The reserve is accounted for in the general fund.
 - Amounts in this reserve will be evaluated annually and determined by how the Board wishes to utilize funds for known and unknown ERS costs, in current and future years.
 - Proceeds from this reserve can be used to pay for Employer ERS obligations for which insufficient general fund appropriation has been provided.
 - Proceeds from this reserve can be used to assign to future years’ budgets to cover some or all of the cost of Employer ERS obligations.
- Reserve for Insurance (GML § 6-n) – is used to pay liability, casualty, and other types of losses except those incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee.
 - Amounts in this reserve will be evaluated annually by the Business Office
 - Proceeds from this reserve will be used first before any other fund balance to pay any losses not covered by insurance or appropriations budgeted for this purpose.
- Reserve for Repairs (GML § 6-d) – is used to pay the cost of repairs (that do not occur annually) to capital improvements and equipment.
 - This reserve will be evaluated on the status of capital projects and needed repairs identified in the district studies and long range capital plans.

- A public hearing is required before proceeds from this reserve can be spent, except in an emergency.
In the event of an emergency spending will require at least a 2/3 majority vote of the Board.
- Reserve for Workers Compensation (GML § 6-j) – is used by school districts that self-insure to pay the direct cost of workers' compensation claims and related expenses .
 - This reserve will be evaluated annually based on Business Office and third party assessments as to the anticipated costs and actuarial calculation of potential obligations.
 - Proceeds from this reserve will be used after budgeted funds for the same have been exhausted and before other fund balance.
- Reserve for Capital Expenditures (Education Law §3651) – is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. The reserve is accounted for in the general fund.
 - This reserve will be evaluated on the status of capital projects and the completion of studies by third parties as to the state of the District's facilities.
 - Proceeds from this reserve can only be used upon approval of the voters.
- Reserve for Debt Service (GML § 6-1) – is used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement plus applicable interest earnings. The reserve is accounted for in the debt service fund.
 - The reserve will be evaluated by the Business Office on an annual basis.

Assigned Fund Balance:

- Designated for Subsequent Year's Expenditures – the planned use of resources in the subsequent years' budget.
- Reserve for Encumbrances – represents the amount of outstanding encumbrances at the end of the fiscal year.

Unassigned Fund Balance:

- Unreserved and Undesignated Fund Balance - remaining fund balance that has not been designated or reserved. NYS Real Property Tax Law 1318 restricts the unreserved, undesignated fund balance of the General Fund to an amount not greater than 4% of the District's budget for the ensuing fiscal year.

Order of Use of Fund Balance

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (e.g., expenditures related to reserves) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from the unrestricted fund balance. Expenditures incurred in the unrestricted fund balances shall be applied first to the assigned fund balance to the extent that there is an assignment and then to the unassigned fund balance.

Delegation of Responsibility

The Superintendent or Business Official shall be responsible for the enforcement of this policy.

Adoption Date: June 16, 2011
Revised: December 15, 2011

FEDERAL FUNDS

The district shall apply for federal assistance under the provisions of public law so long as the conditions of funding are consistent with Board of Education policy.

The administrative staff has the responsibility to evaluate federally funded programs, including their possible benefits to the children and youth in the school district, apprise the Board of the value of each, and make recommendations accordingly. A separate federal aid fund shall be maintained to record all financial transactions in federally aided programs and projects. A separate checking account, distinct from all other district accounts, shall be maintained for federal funds.

Ref: Education Law §3713
8 NYCRR Parts 114; 167; 200

Adoption date: June 15, 2006

INVESTMENTS

The objectives of the district's investment policy are to safeguard district funds and to minimize risk, to ensure that investments mature when cash is required to finance operations and to ensure a competitive rate of return. In accordance with this policy, the Treasurer or his/her designee is authorized to invest and/or deposit all funds, including proceeds of obligations and reserve funds, in time-deposit accounts, certificates of deposit, short-term government securities, repurchase agreements or other investment instruments permitted by law, subject to the investment regulations approved by the Board of Education.

To the extent feasible, investments and deposits shall be made in and through local or regional financial institutions. Concentration of investments in a single financial institution should be avoided. Diversification of investments and deposits is encouraged.

This policy will be annually reviewed by the Board and may be amended from time to time in accordance with the provisions of section 39 of the General Municipal Law.

Ref: Education Law §§1604-a; 1723-a; 3651; 3652
Local Finance Law §165.00
General Municipal Law §§6-c-6-e; 6-j-6-n; 10; 11; 39

Adoption date: June 15, 2006

Reviewed: December 2, 2010

INVESTMENTS REGULATION

Responsibility for investment of funds is delegated to the Assistant Superintendent for Business, the Treasurer and the Deputy Treasurer. Investments shall be in accordance with State law and Board policy and shall be in the best interest of the North Shore Schools.

I. Scope

This policy applies to all monies and other financial resources available for investment.

II. Objectives

In priority order, investments shall

- conform with all applicable federal, state and other legal requirements;
- safeguard principal adequately;
- provide sufficient liquidity to meet all operating requirements; and
- obtain a reasonable rate of return.

III. Delegation of Authority

The Assistant Superintendent for Business shall establish written procedures for investment consistent with this policy. The procedures shall include an internal control structure to (a) provide accountability based on a database or records of investments descriptions and amounts, transaction dates, and other relevant information and (b) regulate the employee activities.

IV. Prudence

All participants in investment are custodians of the public trust and shall avoid any transaction that might impair public confidence in the North Shore Schools.

Investments shall be made without speculation and with prudence, discretion and intelligence, considering the safety of the principal as well as the probable income to be derived.

All participants involved in investment shall refrain from personal business activity that could conflict with proper execution of the program or which could impair their ability to make impartial investment decisions.

V. Diversification

The North Shore Schools shall diversify deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

VI. Internal Controls

All monies collected by any officer or employee of the government shall be transferred to the Assistant Superintendent for Business and/or the District Treasurer in a timely manner.

The Treasurer shall establish and maintain an internal control structure to provide reasonable, though not absolute, assurance that deposits and investments are safeguarded against losses from unauthorized use or disposition, that transactions are executed consistent with management authorization and are recorded properly, and are managed consistent with applicable laws and regulations.

VII. Designation of Depositories

The banks and trust companies authorized for funds deposits are designated at the annual organizational meeting.

VIII. Collateralizing of Deposits

Under the provisions of General Municipal Law, Section 10, all deposits, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by GML Section 10, equal to the aggregate amount of deposits from the categories designated in Schedule A.
2. By an eligible "letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the North Shore Central School District for a term not to exceed ninety (90) days with an aggregate value equal to one hundred forty percent (140%) of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one (1) of the three (3) highest rating categories by at least one (1) nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.

3. By an eligible surety bond payable to the North Shore Central School District for an amount at least equal to one hundred percent (100%) of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two (2) nationally recognized statistical rating organizations.
4. By an “irrevocable letter of credit” issued in favor of the North Shore Central School District by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization, as security for the payment of one hundred percent (100%) of the aggregate amount of deposits and the agreed-upon interest, if any.

Schedule of Eligible Securities for Collateral

- (i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United State government sponsored corporation.
- (ii) Obligations issued or fully insured or guaranteed by the State of New York or general obligations issued by a municipal corporation, school district or district corporation of such state.

IX. Safekeeping and Collateralization

Eligible securities for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreement.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also specify the conditions under which securities may be sold, presented for payment, substituted or released, and the events which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, they shall be delivered in a form suitable for transfer, or with an assignment in blank to the North Shore Schools or their custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or an agent of and custodian for the Schools, will be kept separate and apart from the general assets of the custodial bank or trust

company and shall not be commingled with or become part of the backing for any other deposit or other liability. The agreement should also state that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for reasonable frequency of revaluation of eligible securities and provide for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

X. Permitted Investments

As authorized by General Municipal Law, Section 11, the Assistant Superintendent for Business and/or The District Treasurer is authorized to invest monies not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Money Market and Now Accounts
- Certificates of Deposit
- General obligations of the United States of America
- General obligations of the State of New York
- General obligations issued pursuant to LFL Section 24.00 or 25.00 (with approval of the State Comptroller) by any municipality or school district other than the North Shore Central School District

All investment obligations shall be payable or redeemable at the option of the North Shore Schools within the time proceeds will be needed to meet expenditures for purposes for which the monies were provided. Obligations purchased with the proceeds of bonds or notes shall be payable or redeemable at the option of the North Shore Schools within two years of the date of purchase.

XI. Authorized Financial Institutions and Dealers

The North Shore Schools shall maintain a list of financial institutions and dealers approved for investment purposes. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated report of Condition (Call Report) at the request of the North Shore Schools.

Security dealers not affiliated with a bank must be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Assistant Superintendent for Business shall evaluate the financial position of institutions and dealers and maintain a listing of proposed depositories, trading partners and custodians. The listing shall be evaluated at least annually.

XII. Purchase of Investments

The Assistant Superintendent for Business and/or The District Treasurer are authorized to contract for the purchase of investments.

All purchased obligations, unless registered or inscribed in the name of the schools, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the Assistant Superintendent for Business. All such transactions shall be confirmed in writing to the North Shore Central School District by the bank or trust company. Any obligation in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, Section 10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and shall not be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

XIII. Selection of Financial Institutions

The Treasurer will periodically monitor, to the extent practical but not less than annually, the financial strength, credit-worthiness, experience, size and any other criteria of importance to the district, of all institutions and trading partners through which the district's investments are made.

Investments in time deposits and certificates of deposit are to be made only with commercial banks or trust companies, as permitted by law.

XIV. Operations, Audit, and Reporting

The school district will encourage the purchase and sale of securities through a competitive process involving telephone solicitation for at least three quotations.

The independent auditors will audit the investment proceeds of the school district for compliance with the provisions of this Investment Regulation.

Monthly investment reports will be furnished to the Board of Education.

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

Revised: July 5, 2016

MONIES IN SCHOOL BUILDINGS

Monies collected by school district employees must be receipted, accounted for and directed without delay to the proper location of deposit. Monies may be left overnight in schools only in safes for valuables. All schools shall provide for bank deposits after regular banking hours to avoid leaving money in the school overnight.

Additionally:

1. In each building, the individual designated by the Assistant Superintendent for Business shall be responsible for maintaining receipts for monies collected in each building.
2. The district treasurer shall be responsible for collecting monies from each building.
3. The maximum amount of time money is to be kept at the building level before being transferred to the district level is 5 business days. All funds collected must be kept in a locked safe.

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 3, 2013

Revised: July 5, 2016

MONIES IN SCHOOL BUILDINGS REGULATION

Receipts are issued to each person who turns in funds, including funds for the rental of school property, refunds for personal calls, library fines, lost books, instrumental rentals, adult education fees, damages to school property, sale of shop material, etc.

The receipts are to be issued in triplicate. The white copy (original) should be submitted with the funds, class roster, trip/activity information to the secretary/clerk. The second copy (pink) should be forwarded to the District Treasurer in the Central Office by the person who collected the funds from the student. The third copy (yellow) should be retained by the person from whom the money was received.

All receipts shall be under the control of the District Treasurer in the Central Office.

Adoption date: June 15, 2006
Revised: December 2, 2010
Revised: July 5, 2016

GIFTS AND GRANTS

Only the Board of Education may accept for the school district any bequest or gift of money, property or goods

The Board will attempt to honor the intent of the donor in its use of the gift, but reserves the right to use any gift it accepts in the best interest of the district's educational program. The Superintendent or a designee may assign such gifts to a particular school or department.

Items will be accepted only if they are of legitimate use in achieving the mission of the North Shore Schools. Once a gift is accepted, its installation, use and disposition are under the sole authority of the North Shore Schools

Items will not be accepted if they entail excessive maintenance or installation cost. The North Shore Schools may elect not to replace a gift if it becomes worn out or is destroyed.

In granting or withholding its consent, the Board will review the following factors:

1. The gift must not benefit a particular or named individual or individuals.
2. If the purpose of the gift is an award to a single student, the determination of the recipient of such award shall be made on the basis that all students shall have an equal opportunity to qualify for it and shall not be denied its receipt on the basis of race, gender identity, sexual orientation, religion, or disability.
3. If the gift is in trust, the obligation of the investment and reinvestment of the principal shall be clearly specified and the application of the income or investment proceeds shall be clearly set forth.

The Board of Education may elect to return or reject any gift if in their judgment it does not further the Mission of the North Shore Schools. A decision to accept a gift in no way commits or binds the North Shore Schools to accept any gift in the future. In compliance with Internal Revenue Code, a letter of acknowledgment included all required information will be provided to the donors.

Any gift rejected by the Board shall be returned to the donor or his/her estate within 60 days together with a statement indicating the reasons for the rejection of such gift.

Ref: Education Law §1709(12)

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

GIFTS AND GRANTS REGULATION

A donor shall initially consult with the Building Principal or Superintendent of Schools before a gift is presented to ensure it is appropriate.

When the Principal or any member of the school staff is in contact with potential donors of goods or funds, he or she shall inform the Superintendent of Schools.

A gift should be accompanied by a letter from the donor for official action and recognition.

A gift must satisfy the following criteria:

1. It will have a purpose consistent with those of the school or district.
2. It will not begin a program which the Board would be unwilling to take over when gift or grant funds are exhausted.
3. It will not bring undesirable or hidden costs to the school.
4. It will place no restrictions on the school program.
5. It will not be inappropriate or harmful to the best education of district students.
6. It will be appropriate to the mission of the district.
7. It will not endorse any business or product.
8. It will not be in conflict with any provision of public law.

No donation shall be made without the express approval and acceptance of the Board of Education.

The Superintendent and/or Principal shall send a letter in compliance with the Internal Revenue Code to the donor.

Adoption date: June 15, 2006
Reviewed: November 13, 2009
Revised: December 3, 2009
Revised: January 16, 2014

AUTHORIZED SIGNATURES

The Board of Education authorizes the signature on checks issued against all accounts of the school district to be that of the Treasurer or, in his/her absence, the Deputy Treasurer.

The Board hereby authorizes the use of check signing machines with safeguards for the school district's protection and with facsimile signatures of the Treasurer and in her absence, the Deputy Treasurer.. Said machines shall be maintained in the exclusive and secured possession of the Treasurer and the Deputy Treasurer,, respectively.

The Treasurer/Deputy Treasurer shall be present and shall control the affixing of his/her signature when checks are run. He or she should maintain a log of checks signed and should verify the sequence of check numbers that are used. The signing of blank checks is expressly forbidden.

Extra classroom activity fund checks shall be signed by both the Student Activity Accounts Treasurer and the Central Treasurer of the extracurricular activity fund.

Contracts authorized by Board resolution shall be signed by the Board President or in his/her absence the Vice-President, unless a different signatory is identified in the Board resolution. Purchase orders for goods and/or services identified in the various budget codes of the school district budget may be executed by the Purchasing Agent responsible for the procurement of such goods and/or services.

The Board authorizes the payment in advance of audit of claims for all public utility services, postage, freight and express charges, in accordance with law.

Ref: Education Law §§1720; 1724; 2523
8 NYCRR §§170.1(c)(d); 172

Adoption date: June 15, 2006
Revised: December 2, 2010
Revised: January 16, 2014
Revised: July 5, 2016

BONDED EMPLOYEES AND OFFICERS

The School District Treasurer and Deputy Treasurer shall be covered by a treasurer's bond in the amount of \$1,000,000 per loss

All other school district employees who handle funds shall be covered for \$500,000 under a faithful performance blanket position bond.

Cross-ref: 2210, Board Reorganizational Meeting

Ref: Education Law §2130

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

FISCAL ACCOUNTING AND REPORTING

The Board of Education insists on clear, complete, and detailed accounting of all financial transactions for which the Board is held accountable.

Accounting and Reporting Systems

The system of accounts will conform to the Uniform System of Accounts for School Districts. The accounting system will yield information necessary for the Board to make policy decisions.

Proposed expenditures will be budgeted under and the actual expenditures will be charged to categories that most accurately describe the purpose for which monies are to be spent. All operating expenses will be charged to the fiscal year in which they are incurred.

The Board directs the Assistant Superintendent for Business and the Treasurer to keep it informed of the financial status of the district through monthly cash reconciliation, budget status reports and fiscal reports. The Treasurer should highlight any deviation in actual fiscal conditions from planned fiscal conditions and offer recommendations to the Board to remedy the situation. The Assistant Superintendent for Business, the Assistant Business Manager and the Treasurer will prepare and submit, through the Superintendent, to the Board and the Commissioner of Education, such reports as are prescribed by law. These shall be filed with appropriate governmental bodies as required under law or regulation. The district will cooperate with governmental agencies and research organizations as required by law for data concerning the fiscal operations of the district.

A statement of the financial condition of the school district shall be published annually in the district newsletter.

The Superintendent shall be responsible for ensuring the books and records of the District are kept in auditable form. The district shall be audited annually by an independent certified public accountant or a public accountant.

An auditor's fee shall be established in each fiscal year. The Board shall select an auditing firm experienced in municipal accounting and willing to perform the required services for the established fee. A competitive bid process for selecting an auditing firm shall be utilized at least once every five years.

The audit examination shall be conducted in accordance with generally accepted auditing standards and shall cover all funds over which the Board has direct or supervisory control. The auditor's report shall be adopted by resolution and a copy shall be filed with the Commissioner of Education and the State Comptroller.

The Superintendent is hereby directed to respond to all audit findings and recommendations. Such response is to include a statement of the corrective actions taken or proposed to be taken, or if action is not taken or proposed, an explanation of reasons, as well as a statement on the status of corrective actions taken on findings or recommendations contained in any previous report of examination or external audit, or any management letter for which a response was required.

INDEPENDENT/EXTERNAL AUDIT FUNCTION

As required by law, the school district shall obtain an annual audit of its records by an independent certified public accountant or an independent public accountant. The report of such annual audit shall be presented to the Board of Education by such accountant. The district shall, within 90 days of the receipt of such report or letter, prepare a corrective action plan in response to any findings contained in the annual external audit report or management letter, or any final audit report issued by the state comptroller. This corrective action plan shall be presented to the Board for review. To the extent practicable, implementation of such corrective action plan shall begin no later than the end of the next fiscal year.

The district shall use a competitive request for proposals (RFP) process when contracting for such annual audit. In addition, pursuant to law, no audit engagement shall be for a term longer than five consecutive years; provided, however, that the district, in its discretion, may permit an independent certified public accountant or an independent public accountant engaged under an existing contract for such services to submit a proposal in response to an RFP or to be awarded a contract to provide such services under a RFP process.

INTERNAL AUDIT FUNCTION

The Board of Education recognizes its responsibility to ensure sound fiscal management of the district. To this end, the Board establishes an internal audit function to carry out the following tasks:

- Develop an annual risk assessment of district fiscal operations which shall include but not be limited to:
 - a. a review of financial policies and procedures,
 - b. the testing and evaluation of district internal controls;
- An annual review and update of such risk assessment; and
- Prepare reports, at least annually or more frequently as the Board may direct, which:
 - a. analyze significant risk assessment findings,
 - b. recommend changes for strengthening controls and reducing identified risks, and
 - c. specify timeframes for implementation of such recommendations.

To fulfill this function, the district may use inter-municipal cooperative agreements, BOCES shared services, or independent contractors as long as such personnel or entities performing the internal audit function comply with the Regulations of the Commissioner and meet professional auditing standards for independence between the auditor and the district. The district may also use existing personnel to fulfill this function but only if such persons shall not have any responsibilities for other business operations of the district while performing such function. Personnel or entities performing this function shall report directly to the Board. The district's audit committee shall assist in the oversight of this internal audit function.

CLAIMS AUDIT FUNCTION

The Board of Education will designate and appoint a claims auditor for the district. The claims auditor shall serve at the pleasure of the Board. The claims auditor shall report directly to the Board.

The claims auditor is responsible for formally examining, allowing or rejecting all accounts, charges, claims or demands against the school district. The auditing process should determine:

1. that the proposed payment is for a valid and legal purpose;
2. that the obligation was incurred by an authorized district official;
3. that the items for which payment is claimed were in fact received or, in the case of services, that they were actually rendered;
4. that the obligation does not exceed the available appropriation; and
5. that the submitted voucher is in proper form, mathematically correct, does not include previously paid charges, and is in agreement with the purchase order or contract upon which it is based.

The claims auditor shall provide monthly written reports as may be requested by the Board. The Superintendent shall also ensure that the provisions contained in the General Municipal Law in regard to audit reports are followed.

Cross-ref: 1120, School District Records

Ref: Education Law §§1610; 1709; 1711; 1721; 2117; 2528; 2577; 2590-i

General Municipal Law §§33; 34

8 NYCRR §§155.1; 170.1; 170.2

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

Revised: July 5, 2016

CLAIMS AUDITOR EXHIBIT

Checklist for Audit of Claims

Beginning check number _____

Ending check number _____

I hereby certify that the attached schedule of claims has been audited. All claims have been checked for the following:

_____ Mathematical accuracy (extensions, additions, and calculations or discounts)

_____ Duplicate payments (previously paid invoices from vendors have been checked to be sure

payment is not a duplicate)

_____ Vouchers have been checked against purchase orders

_____ Travel vouchers are properly itemized (travel vouchers must contain purpose of travel,

dates and points of travel and approved rate)

_____ Vouchers for personal service are properly itemized (vouchers must contain purpose, date

of service, length of service and approved rate)

_____ Receipts of goods and services are attached to claims

_____ Check to see whether there is an agreement with vendor not to pay late charges. If so,

deduct late charges

_____ Sales taxes have not been paid (with the exception of sales taxes and tips up to 15% on meals)

_____ Mileage and meal claims (incl. sales tax) do not exceed authorization

_____ All claims are for proper school district expenditures

Pre-audit has been completed:

Accounts Payable Clerk Date

Certified:

Adopted: December 2, 2010

Revised: January 16, 2014

AUDIT COMMITTEE

The Board of Education will designate and appoint an Audit Committee for purposes of overseeing and carrying out the Board's audit policies and the performance of related duties and responsibilities. The district's Audit Committee shall be comprised of at least three members with staggered terms. At least three members shall be appointed to serve on the committee on an annual basis. Employees of the school district are prohibited from serving on the committee.

The Audit Committee shall:

1. Recommend claims, internal, and external audit plans to the Board, specifying the areas of District operations to be reviewed for compliance with legal and regulatory requirements, operating efficiency and effectiveness;
2. Receive and review the resulting audit reports; and propose recommendations to the Board for action as may be necessary and appropriate;
3. Receive and review the report of the external auditor on any findings commented on during the annual audit report, and the management response thereto, and propose recommendations to the Board for action as may be necessary and appropriate;
4. Oversee the selection of the claims, internal, and the external auditors, pursuant to the relevant Board policies, and make recommendations to the Board for appointment to said positions;
and
5. Perform any other responsibilities outlined by the Board and/or as listed in the District's Audit Committee Charter (see attached exhibit, 6605-E).

It is not the intent of the Board of Education that the Audit Committee participate in or be responsible for the day to day operations of the school district or in the decisions that are the responsibility of the Superintendent of Schools or Assistant Superintendent for Business, or the other district administrators.

Ref: Education Law §2116-c

Adoption date: October 12, 2006

Revised: December 2, 2010

Revised: December 10, 2015

AUDIT COMMITTEE EXHIBIT

Audit Committee Charter Resolution

By Resolution dated October 6, 2005 The Board of Education of the North Shore School District has established an audit committee as required by Education Law §2116-c. The audit committee acts in an advisory capacity to assist the Board with overseeing the District's claims, internal, and external audit functions.

Mission

The audit committee will ensure the District's fiscal accountability by providing enhanced oversight of the external and internal audits.

Membership

The audit committee is composed of the seven (7) Board members, and up to two (2) community members. Members of the audit committee are school district officers. Each member must take the District's oath of office. In addition, committee members may not reveal any confidential information obtained during the exercise of their duties. The audit committee must collectively possess knowledge in accounting, auditing, financial reporting and school district finances. The following individuals are prohibited from serving on the audit committee:

- An employee of the District;
- An individual who within the last two years provided or currently provide services or goods to the District;
- A close or immediate family member of an employee (with the exception of Trustees), officer or contractor providing goods or services to the District. The term "close or immediate family member" includes parent, sibling, nondependent child, spouse, spouse equivalent or dependent, whether or not related.

Duties

- Provide recommendations regarding the appointment of the external auditor of the District;
- Meet with the external auditor before the audit;
- Review and discuss with the external auditor any risk assessment of the District's fiscal operations developed as part of the auditor's responsibilities under governmental auditing standards for a financial statement audit and federal single audit standards if applicable;
- Receive and review the draft annual audit report and draft management letter and, working directly with the external auditor, assist the Board in interpreting these documents;
- Make a recommendation to the Board on whether to accept the annual audit report;
- Review every corrective action plan that Education Law §2116-c requires school districts to develop and assist the Board in the implementation of this plan;

- Assist in the oversight of the internal & claims audit functions, including, but not limited to:
 - Providing recommendations regarding the appointment of the internal & claims auditors for the District;
 - Reviewing significant findings and recommendations of the internal & claims auditors;
 - Monitoring the District's implementation of the internal & claims auditors' recommendations; and
 - Participating in the evaluation of the performance of the internal & claims audit functions.
- Report to the Board on its activities on an as-needed basis, but not less than annually. Each report must address or include, at a minimum:
 - The audit committee's activities;
 - A summary of the committee meeting minutes;
 - Significant findings brought to the committee's attention;
 - Any indications of suspected fraud, waste of abuse;
 - Significant internal control findings; and
 - Activities of the internal & claims audit functions.
- Hold regularly scheduled meetings sufficient to fulfill all committee duties; and
 - At least annually, review the audit committee charter and present recommended modifications, if any, in writing to the Board.

Meetings

The audit committee will meet at least four (4) times each year. All audit committee decisions must be made by a quorum or simple majority of the total membership. Audit committee meetings may not be conducted unless a quorum is present. As a public body, the audit committee is subject to the requirements of the Open Meetings Law. Education Law §2116-c provides that the audit committee may only conduct an executive session to:

- Meet with the external auditor prior to the commencement of the audit;
- Review and discuss with the external auditor any risk assessment of the district's fiscal operations; and
- Receive and review the draft annual audit report and accompanying draft management letter and, working directly with the external auditor, assist the Board in interpreting these documents.

If authorized by Board resolution, any Board member who does not serve on the audit committee may attend an executive session of the committee.

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: December 10, 2015

COMPUTER CONTROLS

The Board recognizes the importance of ensuring that the District's financial accounting software, WinCap, and the financial network facilities are adequately secured. Accordingly, the following procedures will be implemented.

Passwords

Network and WinCap passwords must be changed at least every 90 days for all staff who use the software.

System Administrator

The System Administrator will be appointed by the Board at the annual organizational meeting. The System Administrator shall report to the Assistant Superintendent for Business and shall have the authority to change the permissions for the users of the Software. The System Administrator cannot change his/her own permissions.

Other responsibilities of the System Administrator are to run reports to be reviewed by the internal auditor as part of his risk assessment procedures for the District.

Guidelines for changing such permissions are as follows:

1. Electronic permissions of employees shall appropriately reflect their duties.
2. A request to the System Administrator for a change in the permissions must set forth the reason for the proposed change.
3. Any change must be approved by the Assistant Superintendent for Business or the System Administrator.
4. A log of all changes will be sent to the internal auditor for review as part of his/her risk assessment. He will further report/update the Board of Education when required.

Segregation of Duties

Segregation of duties in the software and related procedures will be consistent with the employees' assigned duties.

Remote Access

Remote Access to the network and/or software by the software vendor shall only be permitted for purposes of updating, correcting the system, or training. Only authorized personnel will be permitted to use this function.

Reports

The following reports will be reviewed by the Assistant Superintendent for Business and sent to the Board of Education on a monthly or quarterly basis.

- Appropriations Report
- Revenue Report
- Budget Transfer Report – as needed for the amount over the threshold
- Extra Classroom activity reports – quarterly
- Balance Sheets
- Scholarships
- Cash flow
- Treasurer’s Report with bank statement (quarterly)

Data Backup / Disaster Recovery

The District’s accounting and other financial data will be backed up on a daily basis. A backup of such data will be maintained offsite.

All critical data from the servers in each building must be backed up to either tape or a storage unit. There must be a 4 week rotation for all critical data which includes user files, SIS data, Library Services, Central Office data, e-mail, Food Service, Voice Mail, etc.

This rotation must include 1 week offsite and 2 different backups to 2 different tapes for Central Office. On a weekly basis, there must be a manual backup of all networking devices, software databases, etc.

The Technology Dept. must test restore all data periodically once every month whether necessary or not.

A confirmation notification must be generated and maintained by the Technology Dept. to support all backup of data.

Review

This policy will be reviewed annually by the Board and the District’s internal/external auditor.

Adopted: February 28, 2008
 Revised; December 2, 2010
 Revised: January 16, 2014

INVENTORIES

ACCOUNTING OF FIXED ASSETS

The School of Business Official shall be responsible for accounting for general fixed assets according to the procedures outlined by the Uniform System of Accounts for School Districts and GASB Statement 34 Regulations.

These accounts will serve to:

- a) Maintain a physical inventory of assets;
- b) Establish accountability;
- c) Determine replacement costs; and
- d) Provide appropriate insurance coverage.

Fixed assets with a minimum value established by the Board that have a useful life of five (5) years or more and physical characteristics not appreciably affected by use of consumption shall be inventoried and recorded on an annual basis. Fixed assets shall include land, buildings, equipment and materials.

The Board shall establish a dollar threshold for equipment and furnishings of \$5,000 per item, with the exception of computer equipment, as a basis for considering which fixed assets are to be depreciated. Such threshold shall ensure that at least 80 percent of the value of all assets are reported. A standardized depreciation method of averaging convention shall also be established for depreciation calculations.

Fixed assets acquired having a value equal to or greater than the established threshold are considered depreciable assets and shall be inventoried for purposes of GASB 34 accounting practices and placed on a depreciation schedule according to its asset class and estimated useful life as stipulated by the NY State Comptroller's Office.

Assets shall be recorded at initial costs or, if not available, at estimated initial cost; gifts of fixed assets shall be recorded at estimated fair value at the time of the gift. A property record will be maintained for each asset and will contain, where possible, the following information:

- a) Date of acquisition;
- b) Description;
- c) Cost or value;
- d) Location;
- e) Asset type;

- f) Estimated useful life;
- g) Replacement cost;
- h) Current value;
- i) Salvage value;
- j) Date and method of disposition; and
- k) Responsible official.

The School Business Official shall arrange for the physical inventory and appraisal of School District property, equipment and material once every five years. Any discrepancies between an inventory and the District's property records on file should be traced and explained.

Adoption date: July 26, 2007
Revised: December 2, 2010
Revised: May 31, 2012

PETTY CASH

Petty cash funds shall be established at each school, cafeterias, transportation office, department of physical education and athletics, department of fine and performing arts, and the district office for the purchase of materials, supplies or services under conditions requiring immediate payment.

The amount of each fund will not exceed \$100.00. The Board of Education shall appoint a supervisor for each petty cash fund who shall administer and be responsible for such fund.

To ensure that these funds are properly managed, the following guidelines shall be followed:

1. Receipts and cash-on-hand must always total the authorized fund amount. All disbursements from such funds are to be supported by receipted bills or other evidence documenting the expenditure.
2. Payments may be made from petty cash for materials, supplies, or services requiring immediate payment. Sales tax on purchases will not be reimbursed by the school district from petty cash funds.

The district shall reimburse uses of petty cash funds up to the extent of expenditures, (not to exceed \$25.00), with appropriate documentary support and as approved by the claims auditor. Petty cash funds provided for buildings or activities that do not operate during July/August must be closed out on June 30 and reestablished by Board of Education action at the re-organizational meeting of the Board in July.

Cross-ref: 6700, Purchasing

Ref: Education Law §§1604(26); 1709(29)
8 NYCRR §170.4

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

PETTY CASH REGULATION

The petty cash account supervisor appointed for each petty cash fund will be responsible for the following method of record keeping:

1. Deposits to petty cash accounts will be made in amounts which shall not exceed payments made in cash from the fund;
2. Payments made from the funds will be indicated by receipts, receipted bills or other evidence of payments in form available for audit.
3. Cash receipts must contain the following information:
 - a. Name and address of vendor;
 - b. Date of purchase;
 - c. Description of items;
 - d. Unit cost;
 - e. Total cost;
 - f. Acknowledgment of cash payment received; and
 - g. Signature of purchaser.
4. Disbursements will be acknowledged by the signature of the individual receiving payment;
5. Each disbursement will be properly budget coded prior to the disbursement of funds; and
6. A request to replenish the petty cash fund will be accompanied by a summary sheet, signed by the petty cash account supervisor, with all expenditures properly accounted.

The petty cash account supervisor will disburse petty cash only for payment for materials, supplies and services, only when payment is required upon delivery, not to exceed \$25.00

Adoption date: June 15, 2006
Revised: December 2, 2010
Revised: January 16, 2014

PURCHASING

The Board of Education views purchasing as serving the educational program by providing necessary supplies, equipment and related services. Purchasing will be centralized in the business office under the authority of the Purchasing Agent designated by the Board.

It is the goal of the Board to purchase competitively, without prejudice or favoritism, and to seek the maximum educational value for every dollar expended. Competitive bids or quotations shall be solicited in connection with purchases pursuant to law. The General Municipal Law requires that purchase contracts for materials, equipment and supplies involving an estimated annual expenditure exceeding \$20,000 and public work contracts involving an expenditure of more than \$35,000 will be awarded only after responsible bids have been received in response to a public advertisement soliciting formal bids. Purchasing of the same commodity cannot be artificially divided for the purpose of avoiding the threshold. Similar procurements to be made in a fiscal year will be grouped together for the purpose of determining whether a particular item must be bid.

In accordance with law, the district shall give a preference in the purchase of instructional materials to vendors who agree to provide materials in alternative formats. The term "alternative format" shall mean any medium or format for the presentation of instructional materials, other than a traditional print textbook, that is needed as an accommodation for a disabled student enrolled in the district (or program of a BOCES), including but not limited to Braille, large print, open and closed captioned, audio, or an electronic file in a format compatible with alternative format conversion software that is appropriate to meet the needs of the individual student.

Goods and services which are not required by law to be procured by the district through competitive bidding will be procured in a manner so as to ensure the prudent and economical use of public monies, in the best interests of the taxpayers, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.

Whenever it is feasible and in the best interests of the District, purchases of materials, supplies or equipment (except printed material), shall be made through New York State, BOCES and County Government contracts. The District, may, when permitted by law and applicable contract terms, utilize contracts let by the United States of America, any agency thereof, any state or any other county or political subdivision or district therein if such contract was let in a manner consistent with New York State law and made available for use by the District.

When it is in the best interests of the District, purchases of materials, supplies or equipment (except printed material), may be awarded on the basis of "best value" in accordance with the requirements of General Municipal Law, section 103 and State Finance Law, section 163. When the District determines to award a purchase contract on the basis of "best value," the bid specifications shall identify the criteria and rating system to be utilized in making a "best value" determination. The purchasing agent shall maintain documentation reflecting said criteria and rating system, as well as the evaluation of each bidder's bid in connection with same.

Alternative proposals or quotations will be secured by requests for proposals, written or verbal quotations or any other appropriate method of procurement, except for procurements:

1. under a county contract;
2. under a state contract;
3. of articles manufactured in state correctional institutions; or from agencies for the blind and severely disabled
4. under BOCES contract;
5. under a contract let by the United States of America, or any agency thereof;
6. under a contract of another political subdivision; or
7. sole source

The district's purchasing activity will strive to meet the following objectives:

1. to effectively supply all administrative units in the school system with needed materials, supplies, and contracted services;
2. to obtain materials, supplies and contracted services at the lowest prices possible consistent with the quality and standards needed as determined by the Purchasing Agent in cooperation with the requisitioning authority. The educational welfare of the students is the foremost consideration in making any purchase;
3. to ensure that all purchases fall within the framework of budgetary limitations and that they are consistent with the educational goals and programs of the district;
4. to maintain an appropriate and comprehensive accounting and reporting system to record and document all purchasing transactions; and
5. to ensure, through the use of proper internal controls, that loss and/or diversion of district property is prevented.

Opportunities shall be provided to all responsible suppliers to do business with the school district. Suppliers whose place of business is situated within the district may be given preferential consideration only when bids or quotations on an item or service are identical as to price, quality and other factors. Purchases will be made through available state contracts of the Office of General Services, county contracts, or agreements entered into by school districts for joint purchasing whenever such purchases are in the best interests of the district. In addition, the district will make purchases from correctional institutions and severely disabled persons through charitable or non-profit-making agencies, as provided by law.

The district will provide justification and documentation of any contract awarded to an offer or other than the lowest responsible dollar offer or, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

The Purchasing Agent will not be required to secure alternative proposals or quotations for:

1. emergencies where time is a crucial factor;
2. procurements for which there is no possibility of competition (sole source items); or
3. very small procurements when solicitations of competition would not be cost-effective.

The Board authorizes the Superintendent of Schools, with the assistance of the Purchasing Agent and the Assistant Business Manager, to establish and maintain an internal control structure to ensure, to the best of their ability, that the district's assets will be safeguarded against loss from unauthorized use or disposition, that transactions will be executed in accordance with the law and district policies and regulations, and recorded properly in the financial records of the district.

The Purchasing Agent shall be responsible for the establishment and implementation of the procedures and standard forms for use in all purchasing and related activities in the district. Such procedures shall comply with all applicable laws and regulations of the state and the Commissioner of Education.

No Board member, officer or employee of the school district shall have an interest in any contract entered into by the Board or the district, as provided in Article 18 of the General Municipal Law, without disclosure.

The Purchasing Agent shall meet with the Board annually to review the district's procurement procedures including this purchasing policy and regulation.

The unintentional failure to fully comply with the provisions of section 104-b of the General Municipal Law or the district's policies regarding procurement will not be grounds to void action taken nor give rise to a cause of action against the district or any officer or employee of the district.

Cross-ref: 4321-R.3, Students with Disabilities Regulation 3- Instructional Materials in Alternative Formats

Ref: Education Law §§305(14); 1604(29-a); 1709(4-a)(9)(14)(22); 2503(7-a); 2554(7-a)
General Municipal Law §§102; 103; 104-b; 109-a; 800 et seq.

Adoption date: June 15, 2006
Reviewed: July 5, 2007
Approved: July 26, 2007
Revised: December 2, 2010
Revised: January 16, 2014
Revised: July 5, 2016

PURCHASING REGULATION

The following sets forth the procedures for the procurement of goods and services by the district:

I. Definitions

Purchase Contract: a contract involving the acquisition of commodities, materials, supplies or equipment

Public Work Contract: a contract involving services, labor or construction

II. General Municipal Law

The General Municipal Law requires that purchase contracts for materials, equipment and supplies involving an estimated annual expenditure exceeding \$20,000 and public work contracts involving an expenditure of more than \$35,000 will be awarded only after responsible bids have been received in response to a public advertisement soliciting formal bids. Similar procurements to be made in a fiscal year will be grouped together for the purpose of determining whether a particular item must be bid.

III. Competitive Bidding Required

A. Method of Determining Whether Procurement is Subject to Competitive Bidding

1. The district will first determine if the proposed procurement is a purchase contract or a contract for public work.
2. If the procurement is either a purchase contract or a contract for public work, the district will then determine whether the amount of the annual procurement is above the applicable monetary threshold as set forth above.
3. The district will also determine whether any exceptions to the competitive bidding requirements (as set forth below) exist.

B. Contract Combining Professional Services and Purchase

In the event that a contract combines the provision of professional services and a purchase, the district, in determining the appropriate monetary threshold criteria to apply to the contract, will determine whether the professional service or the purchase is the predominant part of the transaction.

C. Opening and Recording Bids; Awarding Contracts

The Purchasing Agent will be authorized to open and record bids. Contracts will be awarded by the Board of Education to the lowest responsible bidder (as recommended by the Purchasing Agent), who has furnished the required security after responding to an advertisement for sealed bids.

D. Documentation of Competitive Bids

The district will maintain proper written documentation which will set forth the method in which it determined whether the procurement is a purchase or a public work contract.

Proper written documentation will also be required when a contract is not awarded to the vendor submitting the lowest quote, setting forth the reasons therefore. That vendor may be given an opportunity to defend his product and/or reputation before the Board of Education. The decision of the board of Education will be final.

A quote which exceeds the bid limit will be awarded only when such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law. The district will provide justification and documentation of any such contract awarded.

E. Purchase of Instructional Materials

In accordance with Education Law the district shall give a preference in the purchase of instructional materials to vendors who agree to provide materials in alternative formats (i.e., any medium or format for the presentation of instructional materials, other than a traditional print textbook, that is needed as a accommodation for a disabled student enrolled in the district, including but not limited to Braille, large print, open and closed captioned, audio or an electronic file in an approved format.)

The district will establish and follow a plan to ensure that every student with a disability who needs his or her instructional materials in an alternative format will receive those materials at the same time that they are available to non-disabled students (See regulation 4321-R.3).

F. Leases of Personal Property

In addition to the above-mentioned competitive bidding requirements, section 1725 of the Education Law requires that the district will be subject to competitive bidding requirements for purchase contracts when it enters into a lease of personal property.

Documentation: The district will maintain written documentation such as quotes, cost-benefit analysis of leasing versus purchasing, etc.

Any legal issues regarding the applicability of competitive bidding requirements will be presented to the school attorney for review.

IV. Exceptions to Competitive Bidding Requirements

The district will not be subject to competitive bidding requirements when the Board of Education, in its discretion, determines that one of the following situations exists:

1. emergency situations where:
 - a. the situation arises out of an accident or unforeseen occurrence or condition;
 - b. a district building, property, or the life, health, or safety of an individual on district property is affected; or
 - c. the situation requires immediate action which cannot await competitive bidding.

However, when the Board passes a resolution that an emergency situation exists, the district will make purchases at the lowest possible costs, seeking competition by informal solicitation of quotes or otherwise, to the extent practicable under the circumstances.

Documentation: The district will maintain records of verbal (or written) quotes;

2. when the district purchases surplus or second-hand supplies, materials or equipment from the federal or state governments or from any other political subdivision or public benefit corporation within the state.

Documentation: The district will maintain market price comparisons (verbal or written quotes) and the name of the government entity;

6700-R

3. when the Board separately purchases eggs, livestock, fish and dairy products (other than milk), juice, grains and species of fresh fruits and vegetables directly from producers or growers. The amount expended in any fiscal year by the district may not exceed an amount equal to fifteen cents multiplied by the number of days in the school year multiplied by the total enrollment of the district.

Documentation: The district will maintain documentation consistent with sections 114.3 of the Regulations of the Commissioner of Education;

4. when the Board separately purchases milk directly from licensed milk processors employing less than forty (40) people. The amount expended in any fiscal year by the district may not exceed an amount equal to twenty-five cents multiplied by the number of days in the school year multiplied by the total enrollment of the district or exceed the current market price.

Documentation: The district will maintain documentation consistent with section 114.4 of the Regulations of the Commissioner of Education; or

5. when there is only one possible source from which to procure goods or services required in the public interest.

Documentation: The district will maintain written documentation of the unique benefits of the item or service purchased as compared to other items or services available in the marketplace; that no other item or service provides substantially equivalent or similar benefits; and that, considering the benefits received, the cost of the item or service is reasonable, when compared to conventional methods. In addition, the documentation will provide that there is no possibility of competition for the procurement of the goods.

V. Standardization

Upon the adoption of a resolution by a vote of 3/5ths of the Board stating that, for reasons of efficiency or economy, there is a need for standardization, purchase contracts for a particular type or kind of equipment, material or supplies of more than \$20,000 may be awarded to the lowest responsible bidder furnishing the required security after advertisement for sealed bids. The resolution must contain a full explanation of the reasons for its adoption.

VI. Quotes When Competitive Bidding Not Required

Goods and services which are not required by law to be procured by the district through competitive bidding will be procured in a manner so as to ensure the prudent and economical use of public monies in the best

interests of the taxpayers. Alternative proposals or quotations will be secured by requests for proposals, written or verbal quotations or any other appropriate method of procurement, as set forth below.

A. Methods of Documentation

1. Verbal Quotations: the telephone log or other record will set forth, at a minimum, the date, item or service desired, price quoted, name of vendor, name of vendor's representative;
2. Written Quotations: vendors will provide, at a minimum, the date, description of the item or details of service to be provided, price quoted, name of contact. The district will maintain documentation consistent with Exhibit E.1 that will include advertisements, specifications and the awarding resolution. Alternatively, written or verbal quotation forms will serve as documentation, if formal bidding is not required;
3. Requests for Proposals: the district will contact a number of professionals (e.g., architects, engineers, accountants, lawyers, underwriters, fiscal consultants, etc.) and request that they submit written proposals. The RFPs may include negotiations on a fair and equal basis. The RFPs and evaluation of such proposals will consider price plus other factors such as:
 - a. the special knowledge or expertise of the professional or consultant service;
 - b. the quality of the service to be provided;
 - c. the staffing of the service; and
 - d. the suitability for the district's needs.

The district will first locate prospective qualified firms by:

- a. advertising in trade journals;
- b. checking listings of professionals; or
- c. making inquiries of other districts or other appropriate sources.

The district will then prepare a well-planned RFP which will contain critical details of the engagement, including the methods which it will use in selecting the service.

B. Purchases/Public Work: Methods of Competition to be Used for Non-Bid Procurements; Documentation to be Maintained

The district will require the following methods of competition be used and sources of documentation maintained when soliciting non-bid procurements in the most cost-effective manner possible:

1. Purchase Contracts up to \$10,000
 - a. Contracts from 0 - \$2,999: Discretion used
 - b. Contracts from \$3,000 to \$4,999: Documented Verbal Quotes (3 vendors)
 - c. Contracts from \$5,000 - \$9,999: Documented Written Quotes (3 vendors)
 - d. Contracts from \$10,000 - \$19,999: RFP issued
 - e. Contracts from \$20,000 + : Competitive Bid

2. Public Work Contracts up to \$25,000
 - a. Contracts from 0 - \$4,999: Discretion used
 - b. Contracts from \$5,000 - \$9,999: Documented Verbal Quotes (3 vendors)
 - c. Contracts from \$10,000 - \$19,999: Documented Written Quotes (3 vendors)
 - d. Contracts from \$20,000 - \$34,999: RFP issued
 - e. Contracts from \$35,000 + : Competitive Bid

3. Emergencies: Other

4. Insurance: RFP issued / Other

Documentation will include advertisements, specifications and the awarding resolution. Alternatively, written or verbal quotation forms will serve as documentation, if formal bidding is not required. "Requests for Proposals" (RFPs), documented in the same manner as described herein, may also be used.

5. Professional Services: RFP issued
Documentation will include written proposals.

6. Lease of Personal Property: Other

7. Second Hand Equipment from Other Governments: Other
Documentation will include market price comparisons (verbal or written quotes) and the name of the government agency.

8. Certain Food and Milk Purchases: Other
Documentation will be consistent with sections 114.3 and 114.4 of the Regulations of the Commissioner of Education.

9. Sole Source: Other
Documentation will include, among other things, the unique benefits of the patented item as compared to other

items available in the marketplace; that no other item provides substantially equivalent or similar benefits; and that considering the benefits received, the cost of the item is reasonable, when compared to conventional methods.

Notations of verbal quotes will be maintained by the district. In addition, the district will document that there is no possibility of competition for the procurement of the goods.

VII. Quotes Not Required When Competitive Bidding Not Required

The district will not be required to secure alternative proposals or quotations for those procurements:

1. under any county contract;
2. under a state contract;
3. of articles manufactured in state correctional institutions; or
4. from agencies for the blind and severely disabled.
5. under BOCES contract;
6. under a contract let by the United States of America, or any agency thereof;
7. under a contract of another political subdivision; or
8. sole source

In addition, the district will not be required to secure such alternative proposals or quotations for:

1. emergencies where time is a crucial factor;
2. procurements for which there is no possibility of competition (sole source items);
3. procurements of professional services, which, because of the confidential nature of the services, do not lend themselves to procurement through solicitation; or
4. very small procurements when solicitations of competition would not be cost-effective.

VIII. Procurements from Other than the “Lowest Responsible Dollar Offer”

The district will provide justification and documentation of any contract awarded to an offer or other than the lowest responsible dollar offer or, setting forth the reasons why such award is in the best interests of the district and otherwise furthers the purposes of section 104-b of the General Municipal Law.

Adoption date: June 15, 2006

Reviewed: July 5, 2007

Approved: July 26, 2007

Revised: December 2, 2010

Revised: July 5, 2016

PURCHASING EXHIBIT

Methods of Competition to be used for Contract Procurements

	Discretion	Documented Verbal Quotes (3 vendors)	Documented Written Quotes (3 vendors)	RFP	Competitive Bid	Other
Purchase Contracts up to \$20,000						
0 - \$2,999	X					
\$3,000 - \$4,999		X				
\$5,000 - \$9,999			X			
\$10,000 - \$19,999				X		
\$20,000 +					X	
Public Work Contracts up to \$35,000						
0 - \$4,999	X					
\$5,000 - \$9,999		X				
\$10,000 - \$19,999			X			
\$20,000 - \$34,999				X		
\$35,000 +					X	
Emergencies						X
Insurance				X		X
Professional Services				X		
Lease of Personal Property						X
Second-hand equipment from other Gov't agencies						X
Certain food & milk purchases						X
Sole Source (i.e. patented or monopoly item)						X

NOTES:

- RFP – Request for Proposal
- If the aggregate amount exceeds the limit above – then use the applicable range for the total purchase

Adoption Date: June 15, 2006

Reviewed: July 5, 2007

Approved: July 26, 2007

Approved: July 22, 2010

Revised: December 2, 2010

**Explanations of “Other” Methods of Competition to Be Used
For Non-Bid Procurements**

Emergencies: Informal solicitation of quotes or otherwise, to the extent practicable under the circumstances

Second-Hand Equipment from Federal and State Governments: Section 103(6) of the General Municipal Law provides a statutory exception to the competitive bidding requirement by permitting the purchase of surplus and second-hand supplies, materials or equipment without competitive bidding from the federal or state governments or from any other political subdivision or public benefit corporation with the state.

Certain Food and Milk Purchases: Section 103(a) and (10) of the General Municipal Law provides a statutory exception to the competitive bidding requirement by permitting a Board of Education to separately purchase eggs, livestock, fish and dairy products (including milk), juice, grains and species of fresh fruits and vegetables directly from producers, growers or certain processors without bidding.

Sole Source: Section 103 of the General Municipal Law provides a statutory exception to the competitive bidding requirement in limited situations where there is only one possible source from which to procure goods or services required in the public interest (such as in the case of certain patented goods or services or public utility services).

Adoption date: June 15, 2006

Revised: December 2, 2010

PURCHASING AUTHORITY

The Board of Education designates Olivia Buatsi, Assistant Superintendent for Business, as Purchasing Agent for the school district and Janet Bates-Wilkins, Assistant Business Manager as Deputy Purchasing Agent, in the absence of the Purchasing Agent. The Purchasing Agent will be responsible for administering all purchasing activities and ensuring the quality and quantity of purchases made by the district.

All purchases shall be made through the Purchasing Agent.

The Purchasing Agent is authorized to issue purchase orders without prior approval of the Board when formal bidding procedures are not required by law and budget appropriations are adequate to cover such obligations.

The Purchasing Agent shall be responsible for preparing all bid specifications and a statement of general bidding conditions to be included in every notice or invitation to bid. If there are questions concerning specifications, the Purchasing Agent will consult with the requisitioner to clarify the matter so as to ensure that the appropriate goods or services are obtained.

Ref: Education Law §1709(20-a)

Adoption date: June 15, 2006

Revised: July 23, 2009

Revised: December 2, 2010

Revised: December 15, 2011

Revised: January 16, 2014

PURCHASING PROCEDURES

Only through the use of efficient purchasing procedures can the school district ensure that needed goods and services are acquired in the most economical manner. The Board of Education directs the Superintendent of Schools and the Purchasing Agent to develop administrative regulations on how purchasing is to be done in the district.

All purchasing is to be done by the Purchasing Agent on an official pre-numbered purchase order. Checks are always to be voided manually and retained for audit.

The Purchasing Agent shall maintain a complete central record system for the purpose of combining orders, avoiding duplication of purchases, taking full advantage of lowered prices for bulk purchasing, following up on late deliveries, and reconciling deliveries to orders before payment is made. This delivery control will be applied to all purchases, regardless of point of delivery.

Requisitions for budgeted items shall originate from the personnel directly responsible for their use. The Superintendent of Schools shall see that procedures are established for review of requisitions prior to approval or disapproval of purchase.

The Purchasing Agent is authorized to issue purchase orders without prior approval of the Board when formal bidding procedures are not required by law and budget appropriations are adequate to cover such obligations.

Cross-ref: 6700, Purchasing

Ref: Office of the State Comptroller-Financial Management Guide

Adoption date: June 15, 2006

Revised: December 2, 2010

PURCHASING PROCEDURES REGULATION

The purchasing of material, equipment, or supplies shall be governed by the following list of functions.

<u>Function</u>	<u>Performed by</u>
A. Requisition	Initiated by user Sent to proper official for approval Copy retained by school
B. Specifications	Prepared in detail by Purchasing Department after consultation with requisitioner and made available to prospective contractors or vendors.
C. Bids or Quotations	Checked and tabulated by Purchasing Department and after review with the requisitioner recommendations made to Board of Education on formal bids.
D. Contract or Purchase	Contracts signed by designated board officials; orders signed by Purchasing Agent Order.
E. Follow-Up	Purchasing Department
F. Receipt of Goods	Person other than requisitioner signs receiving copy of Purchase Order and forwards same to Purchasing Department indicating the quantity and quality of materials or services which have been received and are satisfactory.
G. Invoice	Checked for price and quantity by Purchasing Department.
H. Invoice Approved	By officer giving rise to the claim and auditor after receipt of goods is acknowledged by requisitioner.

Adoption date: June 15, 2006

PAYROLL PROCEDURES

A duly certified payroll is one that has been examined and approved by the Superintendent of Schools or the Assistant Superintendent for Business. It shall be the responsibility of the Assistant Superintendent for Business and his/her staff to prepare all payrolls.

Periodic tests will be conducted by the auditors to verify accuracy and appropriateness of district payrolls.

Ref: Education Law §§1604; 1719; 1720; 2116-a

Adoption date: June 15, 2006

Revised: December 2, 2010

EXPENSE REIMBURSEMENT

School district employees, officials and members of the Board of Education will be reimbursed for reasonable, actual and necessary out-of-pocket expenses which are legally authorized and incurred while traveling for school related activities.

Only expenses necessary to the purpose of the travel shall be reimbursable. Transportation costs such as taxi cabs are allowable only for essential transportation. Mileage will be paid at the rate fixed by the federal Internal Revenue Service for business travel. Tax exemption letters shall be issued and utilized as appropriate.

The Board, by majority vote, shall determine and approve which meetings and conferences may be attended by Board members and the Superintendent of Schools, so that funds may be allocated for this purpose. Board members who attend these meetings should report back to the board about their experiences and share any relevant materials.

The Superintendent shall determine, in the first instance, whether attendance by district staff at any conference or professional meeting is in the best interest of the district and eligible for reimbursement of expenses under this policy.

To obtain reimbursement, the claimant must complete and sign a claim form, attach all receipts or other expense documentation, together with a copy of the approved conference attendance request form and proof of attendance, and submit the same to the appropriate administrator, and after such claim has been audited and allowed.

Regulations concerning expense reimbursement shall be attached to this policy and shall be reviewed annually and revised as appropriate.

Ref: Education Law §§1604(27); 1709(30); 1804; 2118; 3023; 3028
General Municipal Law §77-b

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

EXPENSE REIMBURSEMENT REGULATION

The district shall reimburse district employees, officials and members of the Board of Education for reasonable, actual and necessary out-of-pocket expenses incurred while traveling for school-related business upon receipt of a completed claim form with itemized receipts along with approved attendance form. The following rules shall guide the reimbursement of school-related travel expenses:

Transportation

- Travel shall be by the most economical method, whether by private automobile, school vehicle or common carrier such as bus, train or plane.
- If travel is by private automobile, mileage shall be reimbursed at the level approved by the Internal Revenue Service for business travel. Parking and tolls will also be reimbursed but gasoline will not.
- Rental car expenses will be reimbursed only if authorized in advance. Receipts must be attached.
- Air travel is only allowed when determined by the Board President or the Superintendent to be in the district's best interest. Air travel shall be reimbursed at the lowest feasible fare available and shall not exceed regular coach class fare. Travel arrangements should be made as soon as reasonably practicable so as to avoid payment of a higher fare due to a late booking.

Lodging

- Persons traveling on district-related business are expected to secure the most reasonable rate for necessary hotel accommodations. The district will reimburse for actual lodging fees up to the maximum lodging fee set by the federal government for that location.
- When the rate is pre-determined by the organization sponsoring the event, the traveler shall secure a room rate at no more than the pre-determined rate notwithstanding what the federal travel reimbursement rate is. Hotel accommodations at a rate other than the most reasonable rate or a pre-determined rate described above will be reimbursed only if approved by the Board President (for members of the board and the Superintendent) and the Superintendent (for all others) prior to the stay.

Meals

Reimbursable meal charges, including a maximum 15% gratuity, for persons traveling for district-related business shall be as follows:

Daily Total \$66.00. this rate will be adjusted every year to reflect the existing IRS rate for Nassau County.

Personal Expenses

The district does not reimburse persons traveling on district-related business for personal expenses including, but not limited to, sight-seeing, pay television, hotel health club facilities, alcoholic beverages, theater and show tickets, and telephone calls and transportation costs unrelated to district business.

Adoption date: June 15, 2006

Revised: December 2, 2010

Revised: January 16, 2014

DISPOSAL OF DISTRICT PROPERTY

Building administrators and support staff supervisors are responsible for identifying obsolete or surplus equipment and supplies within their area(s) of responsibility. Each year, a determination shall be made of which equipment, supplies and/or materials are obsolete and cannot be salvaged or utilized effectively or economically by the school district. Such equipment, supplies, or materials shall be sold through bid procedures, if possible, for the highest possible price.

The Assistant Superintendent for Business shall be authorized to dispose of obsolete or surplus equipment and supplies in the following manner:

1. reassign the items, as needed, to other locations within the school district;
2. centralize the storage of items of potential usefulness; and/or
3. discard or sell as surplus those items determined to be of no further use or worthless.

Following approval by the Board of Education, items may be sold in the following manner:

1. offer to sell the items to local municipalities or local non-profit organizations;
2. sell items at a public sale. In the event of a public sale, notice of availability of such equipment, supplies and materials and requests for bids shall be disseminated through announcements in local newspapers and such other appropriate means. The general public, as well as staff members who are not Board members, officers, or involved in the purchasing function, shall be eligible to bid on the equipment, supplies and/or materials; and
3. sell remaining items as scrap for the best obtainable amount or discard in the safest, least expensive manner.
4. auction on the internet on a Board approved site.

A report of all such transactions shall be available to the Board.

Ref: Education Law §1709(9), (11)
 General Municipal Law §§51; 800 et seq.
Ross v. Wilson, 308 N.Y. 2d 605 (1955)
Matter of Baker, 14 EDR 5 (1974)
 Op. St. Compt. 64-729
 Op. St. Compt. 58-296
 Op. St. Compt. 58-120

Adopted: June 15, 2006
 Revised: December 2, 2010