

BUSINESS AND FINANCE

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SECTION 7 – BUSINESS AND FINANCE

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7.1 FISCAL YEAR

The Cabot School District's fiscal year shall begin July 1 and end on the following June 30.

Legal Reference: A.C.A. § 6-20-410

Adopted: April 15, 2003

7.2 ANNUAL OPERATING BUDGET

The Superintendent shall be responsible for the preparation of the annual operating budget for the District. The superintendent shall present the budget to the board for its review, modification and approval.

The budget shall be prepared in the electronic format as prescribed by the State Board of Education and filed with the Division of Elementary and Secondary Education no later than September 30 of each year.

The approved budget shall provide for expenditures that are within anticipated revenues and reserves. The District Treasurer shall present monthly reconciliation reports and a statement on the general financial condition of the District monthly to the board.

Any changes made to the budget shall be in accordance with District policy and state law.

Legal References: A.C.A. § 6-17-914
 A.C.A. § 6-13-701 (c) (3)
 A.C.A. § 6-20-2202

Adopted: April 15, 2003
Revised: July 19, 2011
Last revised: May 19, 2015

7.3 MILLAGE RATE

The Board of Directors of the Cabot School District shall publish one time in some newspaper published in the county in which the district lies, at least sixty (60) days in advance of the annual school election **at which the annual ad valorem property tax for the district is decided by the electors**, the District's proposed budget, together with a millage rate sufficient to provide the funds necessary for the District's operation.

Legal References: A.C.A. § 6-13-622

Arkansas Constitution: Article 14 Section 3 (c) as amended by Amendment 74

Adopted: April 15, 2003

Last Revised: May 21, 2013

7:5(A) PURCHASE AND PROCUREMENT (NO LABOR INVOLVED)

Purchases shall be made in accordance with State laws and procurement procedures governing school purchases that are deemed to be in the best interest of the Cabot School District and are the result of fair and open competition between qualified bidders and suppliers. No bids shall be required for professional services.

DEFINITIONS

”Commodities” is defined as all supplies, goods, material, equipment, computers, software, machinery, facilities, or personal property purchased for or on behalf of the District.

“Micro-purchases” are purchases with a value of less than three thousand dollars (\$3,000) when purchased with federal funds.

“Professional services” are legal, financial advisory, architectural, engineering, construction management, land surveying, professional consultant services, property and vehicle insurance.

COMMODITIES

The superintendent shall develop procedures for the procurement of micro-purchases that provide for the distribution of purchases between eligible vendors to the extent possible.

Open market purchases may be made where the purchase price is less than twenty thousand dollars (\$20,000). The solicitation of telephone quotes or written bids is encouraged but not required.

Commodities that have a purchase price of more than twenty thousand dollars (\$20,000) must be bought from not less than three quotation bids.

The district will not solicit bids or otherwise contract for a sum greater than twenty-five thousand dollars (\$25,000) with vendors that are on the “excluded parties list”, found at <http://www.epls.gov>, if the contract is to be paid from federal grant funds.

All purchases for a federal program with an estimated purchase price between three thousand dollars (\$3,000) and twenty thousand dollars (\$20,000) and all purchases of commodities with an estimated purchase price that equals or exceeds twenty thousand dollars (\$20,000) shall be procured by soliciting bids. Specifications shall be devised for all commodities to be bid that are specific enough to ensure uniformity of the bid and yet not so restrictive that it would prevent competitive bidding. The Board of Directors of the Cabot School District reserves the right to reject all bids and to purchase the commodity by negotiating a contract. In such an instance, each responsible bidder who submitted a bid shall be notified and given a reasonable opportunity to negotiate.

The following commodities may be purchased without soliciting bids:

- (1) Commodities in instances of an unforeseen and unavoidable emergency;
- (2) Commodities available only from the federal government;
- (3) Utility services;
- (4) Used equipment and machinery, except used buses; and
- (5) Commodities available only from a single source.

Legal References: A.C.A. § 6-21-301,303,304,305
A.C.A. § 6-24-101et seq.

Adopted: April 15, 2003
Last Revised: May 19, 2020

7.5(B) PURCHASE OF COMMODITIES (LABOR INVOLVED)

Purchases shall be made in accordance with State laws and procurement procedures governing school purchases that are deemed to be in the best interest of the Cabot School District and are the result of fair and open competition between qualified bidders and suppliers.

As used in this policy “commodities” is defined as all supplies, goods, material, equipment, computers, software, machinery, facilities, personal property, and services, other than personal and professional services, purchased for or on behalf of the District.

Open market purchases may be made where the purchase price is less than twenty thousand dollars (\$20,000). The solicitation of telephone quotes or written bids is encouraged but not required.

Purchases that have a purchase price of twenty thousand (\$20,000) dollars but less than fifty thousand dollars (\$50,000) shall be purchased only after an advertisement soliciting written bids has been run for one week in an appropriate publication. The bids shall be opened one week after the date of publication.

Purchases that have a purchase price of fifty thousand (\$50,000) dollars or more shall be purchased only after an advertisement soliciting written bids has been run two weeks in an appropriate publication. The bids shall be opened one week after the last date of publication.

Specifications shall be devised for all commodities to be bid that are specific enough to ensure uniformity of the bid and yet not so restrictive that it would prevent competitive bidding. The Board of Directors of the Cabot School District reserves the right to reject all bids and to purchase the commodity by negotiating a contract. In such an instance, each responsible bidder who submitted a bid shall be notified and given a reasonable opportunity to negotiate.

The following commodities may be purchased without soliciting bids:

- (1) Commodities in instances of an unforeseen and unavoidable emergency;
- (2) Commodities available only from the federal government;
- (3) Utility services;

- (4) Used equipment and machinery, except used buses; and
- (5) Commodities available only from a single source.

Legal References: A.C.A. § 6-21-109
A.C.A. § 6-21-301,303,304,305
A.C.A. § 6-24-101 et seq.
A.C.A. § 22-9-203

Adopted: April 15, 2003
Last Revised:

7.6 ACTIVITY ACCOUNT

The Cabot School District shall maintain an account of activity funds. The funds for the account are those revenues derived from the sale of tickets to athletic contests or other school sponsored activities; the sale of food other than that sold in the cafeteria; the sale of soft drinks, school supplies, and books; and fees charged by clubs and organizations.

Activity funds are considered “school funds” and as such may only be spent for school related purposes.¹

The Superintendent shall be the custodian of all activity funds and shall be responsible and accountable for the funds.

Note: ¹ “School related purposes” has been narrowly interpreted by the courts under Articles 14 of the Arkansas constitution to require the expenditures to be for a legitimate public purpose closely related to the provision of K-12 education.

Legal References: A.C.A. § 6-13-701(g)
 A.C.A. § 6-20-417

Adopted: April 15, 2003
Last Revised: July 19, 2011

7.8 PERSONAL PROPERTY

The Cabot School District assumes no responsibility for damage to, or the loss of, personal property brought to District facilities by District staff members.

Adopted: April 15, 2003

Last Revised:

7.9 PROPERTY INSURANCE

The Superintendent, with Board approval, shall be responsible for maintaining adequate insurance coverage for all Cabot School District properties. At a minimum, the district will purchase insurance coverage sufficient to meet the requirements by the Arkansas Commission for Public School Academic Facilities and Transportation.

Legal References: A.C.A. §6-21-114(d)
Arkansas Commission for Public School Academic Facilities and
Transportation Rules Governing Property Insurance Requirements

Adopted: April 15, 2003
Last Revised: July 19, 2011

7.10 PUBLIC USE OF SCHOOL FACILITIES

It is the policy of the Board of Directors of the Cabot School District that District buildings may be used by citizens of the District to conduct lawful meetings for social, civic, or recreational purposes provided such meetings do not interfere with the regular school work or planned school activities. The Superintendent, with Board approval, shall be responsible for establishing procedures governing such use of school buildings. The governing procedures shall be viewpoint neutral.

The Cabot School District has established a fee schedule for the use of school facilities.

Organizations using school facilities assume full and complete responsibility for the conduct of all persons, regardless of age, associated with their use of the facility while they are in or about the facility. Smoking or the use of tobacco or products containing tobacco in any form or the use of drugs or intoxicants is prohibited. Firearms of any kind are not allowed on school property unless the person carrying the firearm is permitted to do so by law as defined in A.C.A. § 5-73-120.

Legal Reference: A.C.A. § 6-21-101
 A.C.A. § 5-73-120
 A.C.A. § 6-21-609

Adopted: April 15, 2003

7.11 USE OF SCHOOL FUNDS FOR NON-SCHOOL RELATED PURPOSES

Funds of the Cabot School District shall not be used for political, charitable, or humanitarian purposes.

Exception: A student club or organization may, by majority vote of its membership, donate club funds to a charitable or humanitarian organization.

No employee of the District shall use school time, school property, school personnel, or school equipment for the purpose of furthering the interests of any political party, the campaign of any political candidate or the advocacy of any political issue or ballot issue whether partisan or non-partisan. School employee may participate as part of a community organization which is renting a school facility for a political purpose.

Adopted: April 15, 2003

7.12 TRAVEL EXPENSE REIMBURSEMENT

Employees are only eligible for reimbursement for travel expenses that have been approved in advance. All requests for travel expense reimbursement must be submitted on the Cabot School District Travel Reimbursement Form and must have the approval of the immediate supervisor before it is sent to the District's Central Administration Office for processing. Original receipts must accompany all requests for reimbursement to the extent that such receipts are customarily available. For a receipt to be valid it should contain the name of the issuing company, the date, and the amount. No cash advances shall be made for travel.

MILEAGE REIMBURSEMENT:

Out-of-District

When requesting reimbursement for mileage, a travel expense reimbursement form which details exact mileage, dates of trips, and destination must be submitted to the District Business Office in order to obtain reimbursement. Point of origin for travel reimbursement will be the employee's home base within the school system or the employee's personal residence whichever is shorter.

Within-District

If an employee is required to commute between schools on a daily basis, the Cabot School District will reimburse the employee for miles driven as follows:

- (1) If a round trip is made each day, then the employee will be reimbursed for the number of miles from school of origin to school of destination times 2.
- (2) If employee concludes the day at the second school, then the employee will be reimbursed for the number of miles from school of origin to school of destination.
- (3) If the employee is providing Homebound Services, the employee will be reimbursed for the number of miles from the school of origin to the Homebound site and from the Homebound site to their personal residence.

The mileage reimbursement rate for use by an employee of his/her personal vehicle will be adjusted on July 1 of each year to equal the current reimbursement rate used by the State of Arkansas for its employees.

Mileage from the employee's residence to the school shall not be reimbursed.

MEAL REIMBURSEMENT (IN-STATE TRAVEL):

Reimbursement for meals involved with in-state travel will not exceed the following rates: Breakfast, \$ 7.00; Lunch, \$12.00; Dinner, \$20.00 with a Daily Total of \$39.00

(The amounts listed above do not apply to meals that are included with registration fees.)

MEAL REIMBURSEMENT (OUT-OF-STATE TRAVEL):

Reimbursement for meals involved in out-of-state travel will not exceed the following rates: Breakfast, \$ 10.00; Lunch, \$15.00; Dinner, \$25.00; with a daily total of \$50.00.

When three meals are required, the employee has the option of exceeding the meal allowance for particular meals but may not exceed the daily total.

Receipts are required. Reimbursement for meals for travel that does not require overnight lodging is not allowed. **Reimbursement shall be prorated based on the percent of the day the employee is away on travel on departure and return days. For example, if an employee returns from his/her travel in the afternoon, he/she is only eligible for reimbursement for breakfast and lunch expenditures.**

Meal expenses incurred by the superintendent or other administrators as necessary, in the performance of their duties when meeting with state officials or consultants may be reimbursed on a prorate, per person basis in line with the mandates of this policy. Such expenses shall only be reimbursed when the expenditure is likely to result in a tangible benefit to the district.

LODGING/AIR FARE/CAR RENTAL:

Receipts for airport associated expenses are required for reimbursement. All airline flights shall be by coach/economy class. Upon arrival at their destination, employees are expected to take the less expensive option between a taxi and an airport shuttle service to his/her hotel or meeting site. When circumstances dictate that a rental car is necessary and/or the most economical approach to the travel requirements, the least expensive car that will accomplish the job should be rented. Prior approval is required for trips that involve lodging, airfare, and/or car rental. Reimbursement will be for actual costs incurred. Receipts are required.

PARKING/SHUTTLE:

Reimbursement for parking and shuttle expenses will be for actual costs incurred. Receipts are required.

CREDIT CARDS

Only those employees specifically issued credit cards to be used in the performance of their jobs to purchase goods, services, or supplies on behalf of the district shall be allowed to use such cards. Employees who incur reimbursable expenses as defined in this policy are expected to pay for them initially by any means they choose and then submit their request for reimbursement. The district assumes no responsibility for the payment of any personal credit card charges incurred by a district employee.

EXPENSES NOT COVERED

The district shall not reimburse the following items/categories of expenses:

- Alcoholic beverages;
- Entertainment expenses – including sports or sporting events; pay per view or game expenses at motels;
- Personal phone calls;
- Replacement due to loss or theft;
- Discretionary expenses for items such as clothing or gifts;
- Medical expenses incurred while on route to or from or at the destination of the reason for the travel;
- Optional or supplementary insurance obtained by the employee for the period covered during the travel including rental car supplemental insurance; and
- Tips, other than those required by the source of the expense, e.g. a restaurant which adds a tip to the bill for all groups of six or more;
- Expenses of a guest traveling with a school employee or a school board member during his/her school related travel;
- Mileage, lodging, and meal expenses incurred for the personal convenience of the employee and not required by the reason for travel.

Adopted: April 15, 2003

Revised: June 18, 2018

7.13 SOLICITATIONS (INSURANCE AND OTHER EMPLOYEE BENEFITS)

Insurance and other employee benefit salespersons that wish to solicit products to Cabot School District employees must receive prior approval from the District Central Administration Office. Personal contact with employees during the regular school day is prohibited, and any written material distributed to District employees will be prepared and paid for at the salesperson's expense.

Adopted: April 15, 2003

7.14 SOLICITATIONS (OTHER THAN INSURANCE AND EMPLOYEE BENEFITS)

Solicitation of all products and services (other than insurance and employee benefits) during the regular school day will be subject to approval by the Building Administrator.

Adopted: April 15, 2003

7.15 COLLECTION AND DEPOSIT OF FUNDS

All cash and checks that are collected must be turned in immediately to the appropriate school office. Deposits are to be made on a daily basis. No cash or checks are to be left in any classroom overnight. Financial transactions must involve a minimum of two Cabot School District employees.

Adopted: April 15, 2003

7.17 FOOD SERVICE PAYMENTS

The Federal reporting requirements do not allow the Child Nutrition Program to extend credit to children or their parents. Parents should pay for meals as they are provided. Parents or students may pay weekly or monthly in advance for meals. The district will provide an alternate meal daily to K-6 students who have a negative balance of ten (10) dollars. Student in grades 7 – 12 who have a negative balance of ten (10) dollars will be responsible for their own meals. Parent must be accountable for taking care of their children's nutrition even while at school.

Any remaining cafeteria charges under ten (10) dollars will be carried over at the end of the school year until the debt is paid in full, the student graduates or withdraws from the district.

Any debt that is left unpaid after the student withdraws or graduates from the district will be considered "bad debt." Once the delinquent debt is reclassified as bad debt, the funds will be restored with non-Federal funds from the district.

Any remaining cafeteria charge over ten (10) dollars will be the responsibility of the school in which the charge was allowed. The appropriate building must restore the debt by June 1st to the food service account.

At the secondary schools, a la carte items may not be charged if the student has a negative balance in their meal account.

Date Adopted: July 17, 2017

Date Revised:

7.18—DISPOSAL OF NON-NEGOTIATED CHECKS OR UNCLAIMED PROPERTY

State law specifies how the district is to dispose of retained funds in the form of issued but non-negotiated checks that have been/not been presented for payment within one calendar year. The district shall dispose of these retained funds in accordance with the law and remit the amount of all non-negotiated checks to the Unclaimed Property Division of the Arkansas Auditor's Office.

The district shall make a good faith effort to return physical items that have been left on district property to their rightful owners. When contact information is known for the owner of an item of a non-perishable nature left at the district, the district shall use the information to attempt to contact the owner to inform him/her of the location of the item. Owners of such items shall be given at least three weeks to pick up the item he/she left at the district. If the owner fails to pick up the item within the time allotted, the district may dispose of the item in a manner of its choosing.

The district is under no obligation to retain an abandoned, perishable item left on district property.

Legal References: A.C.A. § 18-28-201
A.C.A. § 18-28-202(11), (c), (d)
 A.C.A. § 18-28-204
 A.C.A. § 18-28-206
 A.C.A. § 18-28-207
 A.C.A. § 18-28-208(a)
A.C.A. § 18-28-210(b)(c)
 A.C.A. § 18-28-217
 A.C.A. § 18-28-221(a)
 A.C.A. § 18-28-224

Date Adopted:

Last Revised:

7.19 INFORMATION TECHNOLOGY SECURITY

The superintendent shall be responsible for ensuring the district has the necessary components in place to meet the district's needs and the state's requirements for information technology (IT) security. To aid the superintendent in creating, monitoring, and updating the District's IT Security system, the superintendent shall appoint an information security officer (ISO). The ISO shall be responsible for:

- a) Overseeing the District-wide IT security system;
- b) Development of District IT policies and procedures;
- c) Development and leading of employee training on the IT Security requirements;
- d) Ensuring compliance with the adherence to the Division of Elementary and Secondary Education (DESE) IT Security standards.

The ISO shall work with other IT staff, the superintendent, and district management appointed by the superintendent to develop a District IT Security system necessary to meet the requirements of this policy and DESE's standards. The IT security system shall contain the necessary components designed to accomplish the following:

1. The District IT security system shall contain mechanisms, policies, procedures, and technologies necessary to prevent disclosure, modification, or denial of sensitive information.

For the purposes of the IT Security system, "sensitive data" is any and all student and employee data that is either personally identifiable information (PII) or any non PII information that, if assembled together, would allow a reasonable person to identify an individual. Sensitive data includes, but is not limited to:

- Student personally identifiable information, except as allowed by the Family Educational Rights and Privacy Act (FERPA);¹ and
- Employee personally identifiable information, except as required by Ark. Code Ann. § 6-11-129.

All District employees having access to sensitive information shall receive annual IT security training, which shall emphasize the employee's personal responsibility for protecting student and employee information.

2. Physical access to computer facilities, data rooms, systems, networks and data will be limited to those authorized personnel who require access to perform assigned duties.

User workstations shall not be left unattended when logged into sensitive systems or data that includes student or employee information. Workstation settings shall be set for automatic log off and require a password for the system to restore from screensavers.

All equipment that contains sensitive information shall be secured to deter theft. No sensitive data shall be retained on laptops and/or remote devices (home computer, thumbdrives, cellphones, CDs, etc.) unless it is encrypted in accordance with the Arkansas State Security Office's Best Practices.

Server rooms and telecommunication rooms/closets shall be protected by appropriate access control. The rooms shall be segregated from general school or District office areas to restrict access. Server room access control shall be enforced using keys to allow unescorted access only to IT or management staff who require the access to perform their job functions.

3. Network perimeter controls will be implemented to regulate traffic moving between trusted internal (District) resources and external, untrusted (internet) entities. All network transmission of sensitive data shall enforce encryption where technologically feasible.

The District shall maintain a network configuration management program that includes at a minimum:

- a) A network diagram identifying all connections, addresses, and purpose of each connection including management approval of all high risk internetfacing ports such as mail (SMTP/25), file transport protocol (FTP/20-21), etc.
- b) All public facing (internet) servers and workstations segmented on a demilitarized zone (DMZ) that keeps them separate from the internal District network. Segmentation shall be through VLANS.

All wireless access shall require authentication. The DISTRICT wireless networks will deploy network authentication and encryption in compliance with the Arkansas State Security Office's Best Practices. Scans for rogue wireless devices will be conducted at a minimum monthly. Any Rogue wireless device shall be disabled.

Remote access with connectivity to the District internal network shall be achieved using encryption.

Appropriate WARNING BANNERS shall be implemented for all access points to the District internal network.

4. System and application access will be granted based upon the least amount of access to data and programs required by the user in accordance with a business need-to-have requirement.

The District shall enforce strong password management for:

- Employees and contractors as specified in Arkansas State Security Office Password Management Standard.
- Students as specified in Arkansas State Security Office K-12 Student Password Management Best Practice.

User access shall be limited to only those specific access requirements necessary for an employee to perform his/her job functions. Where possible, segregation of duties shall be utilized to control authorization access.

User access shall be granted and terminated upon timely receipt of a documented access request/termination . All access requests shall require approval by the ISO or designee. Ongoing access shall be reviewed for all users at a minimum annually.

Audit and log files shall be generated and maintained for at least ninety (90) days for all critical security-relevant events, including but not limited to:

- Invalid logon attempts;
- Changes to the security policy/procedures; and
- Failed attempts to access objects by unauthorized users.

IT administrator privileges for operating system(s), database(s), and applications shall be limited to the minimum number of staff required to perform these sensitive duties.

5. Application development and maintenance for in-house developed student or financial applications will adhere to industry processes for segregating programs and deploying software only after appropriate testing and management approvals.

Any custom-built student or financial applications or supporting applications that interface, integrate with, or provide queries and reporting to/from student or financial systems shall be developed using a system development life cycle approach that incorporates at a minimum:

- a) Planning, requirements, and design;
- b) User acceptance testing (UAT);
- c) Code reviews; and
- d) Controlled migration to production.

Any changes to core or supporting applications that provide student or financial processing or reporting shall be implemented in a controlled manner that includes at a minimum:

- Documentation of any change, including changes to both infrastructure and application;
- Management approval of all changes; and
- Controlled migration to production, including testing as appropriate.

6. Monitoring and responding to IT related incidents will be designed to provide early notification of events and rapid response and recovery from internal or external network or system attacks.

The District shall develop and maintain an incident response plan to be used in the event of system compromise that shall include:

- a) Emergency contacts;⁴
- b) Incident containment procedures; and
- c) Incident response and escalation procedures.

7. To ensure continuous critical IT services, the District ISO will develop a business continuity/disaster recovery plan appropriate for the size and complexity of the District IT operations.

The district-wide business continuity plan shall include at a minimum:

- Procedures for performing routine backups at least weekly and the storage of backup media at a secured location other than the server room or adjacent facilities. Backup media shall be stored off-site a reasonably safe distance from the primary server room and retained in a fire resistant receptacle.
- A secondary backup processing location, such as another School or District building, shall be identified.
- A documented calling tree with emergency actions to include:
 - Recovery of backup data;
 - Restoration of processing at the secondary location; and
 - Generation of student and employee listings to ensure an accurate head count.

8. Server and workstation protection software will be deployed to identify and eradicate malicious software attacks such as viruses, spyware, and malware.

Spyware and virus protection software shall be installed, distributed, and maintained on all production platforms, including:

File/print servers;

- a) Workstations;
- b) Email servers;
- c) Web servers; and
- d) Application and database servers.

Malicious software protection shall include:

- Weekly update downloads;
- Weekly scanning;
- The malicious software protection to be in active state (realtime) on all operating servers/workstations.

All security-relevant software patches shall be applied within thirty (30) days and critical patches shall be applied as soon as possible.⁵

Notes: ¹ More information on FERPA may be found in Policy 4.13—PRIVACY OF STUDENTS' RECORDS/ DIRECTORY INFORMATION.

More information, including a copy of DESE's IT Security Policy, may be found at <https://adedata.arkansas.gov/security>.

² Insert the method used to restrict access. The types of methods suggested are keys, electronic card readers, or a similar method.

³ Insert your method for segmentation of the network. The recommended methods are firewall, router, virtual local area network (VLAN), or a similar network access control device that does not allow internet traffic to access any internal system without first passing through a DMZ or network device rule set.

⁴ The list of recommended emergency contacts contains:

- a) Vendors;
- b) DIS;
- c) DESE/APSCN;
- d) Law enforcement; and
- e) District employees.

⁵ DESE recommends that districts consider implementing enterprise servers for required updates to conserve network resources.

Legal Reference: Commissioner's Memo RT-15-010

Date Adopted: May 17, 2017

Last Revised: July 17, 2017

7.20—ELECTRONIC FUND TRANSFERS

District funds shall only be disbursed by the district treasurer upon the receipt of checks or warrants signed by the District Board of Directors' Disbursing Officer and the Superintendent or through the electronic transfer of funds. Any electronic transfer of funds must be initiated by the District and authorized in writing by both the Disbursing Officer of the school district Board of Directors and the Superintendent.

For the purposes of this policy, "initiated by the District" means the District controls both the timing and the amount of the funds transfer.

The district treasurer shall maintain evidence of authority for the disbursement in the form of invoices, payrolls that conform with written contracts on file in his/her office, or other appropriate documentation indicating an authority to disburse District funds.

"Other appropriate documentation" includes one-time, signed authorization for recurring transactions. The Board of Directors Disbursing Officer must pre-authorize the electronic transfer of funds for non-recurring transactions which can be accomplished by a signed authorization or an email authorizing such a disbursement of funds.

Legal References: A.C.A. § 6-13-701(e)
 Commissioner's Memo Com-12-036

Date Adopted: May 21, 2013
Last Revised:

7.21 INVENTORY OF FIXED ASSETS

The Superintendent will be responsible for a continuing inventory of all Cabot School District's capital assets, physical facilities, and equipment.

The District's Central Administration Office will maintain and administer a fixed assets accounting system. The Board of Directors will determine the minimum cost necessary to include an item in the District's inventory in accordance with state law and by regulation and guidance published by the Division of Elementary and Secondary Education.

A fixed asset must meet all of the following criteria:

- (1) It retains its original shape, appearance, and/or character with use.
- (2) It does not lose its identity through fabrication or incorporation into a different or more complex unit or substance.
- (3) It is unexpendable. In other words, most of the time, it is more feasible to repair the item than replace it with an entirely new unit.
- (4) Under normal conditions of use, it can be expected to serve its principal purpose for more than one year.

A physical examination of each item contained in the fixed asset inventory will be conducted annually. Fixed asset items that are lost, stolen or damaged beyond repair are to be removed from each location's inventory in a timely fashion. Immediately upon discovery, it is the responsibility of the Building Administrator to report any lost or stolen items in the fixed asset inventory to the District's Central Administration Office as well as the local police department.

Adopted: April 15, 2003

7.22 REVENUES FROM INVESTMENTS

Funds in the various accounts of the Cabot School District shall be invested in such a manner as to result in maximum income to the District. All investments shall be made in accordance with state law. The Treasurer of the District shall be responsible for determining the amount of funds available for investment as well as the term of each investment.

Legal Reference: A.C.A. § 19-1-504

Adopted: April 15, 2003

7.23 Use of District Owned Vehicles

Employees who are assigned a District owned vehicle to be used on a daily basis shall maintain a travel log that details all mileage driven. The travel logs will be submitted to the District Central Administration Office on an annual basis. The value of any personal use of the District owned vehicle by the employee (as per the travel log) will be added to the employee's annual wage and tax statement in accordance with guidelines issued by the Internal Revenue Service.

The Superintendent shall determine which employment positions in the District require the assignment of a District owned vehicle to be used on a daily basis.

Adopted: April 15, 2003

7.24 Use of District Credit/Charge Cards

Each building or central office administrator shall establish procedures to ensure that all District credit/charge cards assigned to his/her campus or area of responsibility are properly accounted for at all times. All purchases involving District credit/charge cards must have prior approval by a building or central office administrator. District credit cards are only to be used after all other available means of purchasing (i.e. school purchase order) have been explored and rejected.

Detailed documentation of all purchases made with a District credit/charge card must be provided. A signed credit/charge card receipt with the total amount charged is NOT sufficient documentation. If detailed documentation to verify amount charged is not submitted, then the person who made the purchase will be responsible for payment of the amount charged on the card.

Internet Credit/Charge Card Charges:

If a purchase is made by Internet using a District credit/charge card, a print out of the documentation page from the Internet purchase must be submitted.

Credit/Charge Card Cancellations:

When credit/charge card purchases are cancelled, proper documentation must be presented to the Central Office Finance Department at the time of cancellation so that credit can be properly applied.

Adopted: April 15, 2003

7.25 SERVICE ANIMALS IN DISTRICT FACILITIES

In accordance with the provisions of the Americans with Disabilities Act, service dogs and trained miniature horses¹ (*service animals*) are permitted for use by individuals with disabilities on district property and in district facilities provided the individuals and their animals meet the requirements and responsibilities covered in this policy.

When an individual with a disability seeks to bring a service animal into a district facility, the district is entitled to ask the individual;

- a. if the animal is required because of a disability; and
- b. what work or task the animal has been trained to perform.²

While the district is not entitled to ask for documentation that the animal has been properly trained, the individual bringing the animal into a district facility will be held accountable for the animal's behavior.

Any service animal brought into a district facility by an individual with a disability must have been trained to do work or perform tasks for the individual. The work or tasks performed by the service animal must be directly related to the handler's disability. Examples of work or tasks include, but are not limited to, assisting individuals who are blind or have low vision with navigation and other tasks, alerting individuals who are deaf or hard of hearing to the presence of people or sounds, providing non-violent protection, pulling a wheelchair, assisting an individual during a seizure, alerting individuals to the presence of allergens, retrieving items such as medicine, providing physical support and assistance with balance and stability to individuals with mobility disabilities, and helping persons with psychiatric and neurological disabilities by preventing or interrupting impulsive or destructive behaviors.

The crime deterrent effects of an animal's presence and the provision of emotional support, well-being, comfort, or companionship do **not** constitute work or tasks for the purposes of this policy.

Individuals with disabilities shall be permitted to be accompanied by their service animals in all areas of a public entity's facilities where members of the public, participants in services, programs or activities, or invitees, as relevant, are allowed to go.

A service animal shall be under the control of its handler. A service animal shall have a harness, leash, or other tether, unless either the handler is unable because of a disability to use a harness, leash, or other tether, or the use of a harness, leash, or other tether would interfere with the service animal's safe, effective performance of work or tasks, in which case the service animal must be otherwise under the handler's control by means of voice control, signals, or other effective means.

District staff may ask an individual with a disability to remove a service animal from the premises if:

- (1) The animal is out of control and the animal's handler does not take effective action to control it; or
- (2) The animal is not housebroken.

If the district excludes a service animal due to the reasons listed above, the district shall give the individual with a disability the opportunity to participate in the service, program, or activity without having the service animal on the premises.

The District and its staff are not responsible for the care or supervision of a service animal brought onto district property or into district facilities by an individual with a disability.

The District shall not ask or require an individual with a disability to pay a surcharge, even if people accompanied by pets are required to pay fees, or to comply with other requirements generally not applicable to people without pets.³

Individuals should be aware that under Arkansas law the misrepresentation of an animal as a service animal or a service animal in training to a person or entity operating a public accommodation may subject the individual to a civil penalty.

Note: ¹ A service dog is any breed unless restricted by a local ordinance. A miniature horse is not one specific breed, but may be one of several breeds, with distinct characteristics that produce animals suited to service animal work. The animals generally range in height from 24 inches to 34 inches measured to the withers, or shoulders, and generally weigh between 70 and 100 pounds. There is a bit more flexibility for Districts in determining if a facility can accommodate a horse than for a dog. Miniature horses are less flexible than dogs and therefore may not fit into smaller spaces as well as a dog. In specific instances when the horse's size poses a legitimate safety hazard, the horse could be prohibited from that specific event or facility. Keep in mind, however, that if a facility could reasonably accommodate a 24" dog, it could likely accommodate a 24" horse.

² Districts are **not** allowed to ask about the nature or extent of a person's disability.

³ The District can only charge an individual with a disability for damage caused by his or her service animal if it charges other individuals for damages they cause.

Legal References: 28 CFR § 35.104
 28 CFR § 35.136
 28 CFR § 36.302
 A.C.A. § 20-14-304
 A.C.A. § 20-14-308
 A.C.A. § 20-14-314

Date Adopted: July 19, 2011

Last Revised: May 19, 2020

7.26—MANAGEMENT AND DISPOSAL OF DISTRICT PROPERTY

Definitions

For the purposes of this policy, the following definitions apply:

“Commodities” are all supplies, goods, material, computers, software, machinery and other equipment purchased on behalf of the district having a useful life of more than one year and an acquisition cost of \$1,000 or more per unit.

“Surplus commodities” are those commodities that are no longer needed, obsolete, irreparable, or worn out.

"Trash" are those items that would otherwise belong to another category of goods or property defined in this policy, but which, due to the property's age or an act of God, have less value than it would cost to repair the item. Examples could include, but are not limited to, fire damage, vehicle accidents, extreme age and/or decline in value of the item.

Disposal of Surplus Commodities

The Board of Directors recognizes that commodities sometimes become of no use to the District and thus meet this policy's definition of surplus commodities.

The Superintendent or designee(s) will determine the objective fair market value of surplus commodities. The District will strive to dispose of surplus commodities at or near their fair market value.

The Superintendent may declare surplus any commodity with a fair market value of less than \$1000. Surplus commodities with a fair market value of less than \$1000 will be periodically sold by the most efficient, cost effective means that is likely to result in sales at or near fair market value.

The Superintendent may submit a list of surplus commodities deemed to have a fair market value of \$1,000 or greater to the Board of Directors for authorization to sell such surplus commodities. Once the Board of Directors has authorized the sale of such surplus commodities, the Superintendent or designee(s) may sell that surplus commodity as the need arises. Items with a fair market value of \$1,000 or greater will be sold by the most efficient, cost effective means that is likely to result in sales at or near fair market

value. The Board of Directors has approved the use of Gov Deals online auction service for the sale of approved surplus commodities. If the Superintendent chooses to dispose of the surplus items by bid, the Superintendent or designee may set a minimum or reserve price on any item, and may reject all bids. The Superintendent or designee is authorized to accept the high bid provided the high bid is at or near the fair market value without further Board action unless the high bid comes under the jurisdiction of Arkansas ethics legislation in which case the provisions of A.C.A. §§ 6-24-101–107 would apply.

If attempts at public sales fail to produce any interested buyers or bidders, such remaining unsold commodities may then, at the discretion of the Superintendent, be disposed of as scrap or junk or be donated to appropriate charitable or education related entities. Computer or technology equipment will be cleansed of data prior to disposal.

Items obtained with federal funds shall be handled in accordance with applicable federal regulations, if any.

The disposal of school property must be for the benefit of the school district and consistent with good business principles.

Trash, as defined in this policy, may be disposed of in the most cost efficient or effective method available to the district.

Legal References: A.C.A. § 6-13-111
A.C.A. § 6-13-620
A.C.A. § 6-21-108
 A.C.A. § 6-21-110
A.C.A. § 6-23-501
A.C.A. § 6-24-101–107
34 CFR § 80.3 – 80.52
34 CFR § 80.31
34 CFR § 80.32(d)(e)

Date Adopted: May17, 2017
Last Revised: May 19, 2020

7.27—HEALTH CARE COVERAGE AND THE AFFORDABLE CARE ACT

Definitions

“Dependent”, for purposes of this policy, means an employee’s child(ren) and/or spouse who are enrolled by the employee in health care coverage through the District’s health care plans.

“Full-time school bus driver” means a person employed by the District to drive regular routes during the annual school year:

1. Who contracts with the District to operate a school bus for at least seven hundred twenty (720) hours during the school year;
2. Whose primary source of income during the school year is obtained by operating a school bus for the District; or
3. Who contracts with the District to operate a school bus and is designated by the superintendent as a full-time school bus driver, regardless of the number of hours for which the person is contracted.

“Full-time employee”, for purposes of this policy, means an employee who is:

1. In a position requiring on average thirty (30) hours of actual performance per week during the annual school year; or
2. A full-time school bus driver.

“Responsible individual” means a primary insured employee who, as a parent or spouse, enrolls one or more individual(s) in health care coverage through the District’s health care plans.

"Variable hour employee", for the purposes of this policy, means an individual, other than a full-time school bus driver, who has no base minimum number of hours of performance required per week.

Health Insurance Enrollment

All full time District employees are eligible to enroll themselves; their spouse, so long as the spouse is not otherwise eligible for insurance through his/her employer's sponsored plan; and their child(ren) in one of the insurance plans through the Public School Employee Life and Health Insurance Program (PSELHIP). Variable hour employees are not eligible to enroll in a PSELHIP plan. If a variable hour employee’s measurement period finds that the employee averaged thirty (30) or more hours per week, then the employee is treated as a full time employee rather than a variable hour employee and is eligible for health insurance. New full time employees have sixty (60) days following the start date of the employee’s contract to elect to enroll in a PSELHIP plan; all new employees shall be informed in writing of the start date of the employee’s contract and that the employee has sixty (60) days from that date to elect PSELHIP coverage. Coverage for new employees who choose to enroll in a PSELHIP plan shall take effect on the first of the month following the date on the enrollment application. Coverage shall be in effect until the end of the calendar year. Employees who experience a Qualifying Status Change Event have sixty (60) days from the date of the Qualifying Status Change Event to file an application to change coverage information. All employees who continue to be eligible may elect to continue coverage and make changes to their PSELHIP plan for the following plan year during the yearly open enrollment period.

The District shall ensure all employees are provided education annually on the advantages and disadvantages of a consumer-driven health plan option and effective strategies of using a Health Savings Account (HSA).

District Contribution to Premiums

At a minimum, the District shall distribute the statutorily required contribution rate to all employees who are enrolled in one of the PSELHIP plans, which shall include any mandatory increases to the contribution rate due to increases to the salary schedule. In accordance with the State Health Insurance Portability Rules (SHIP), the District shall continue to pay the premium contribution for an employee who transfers to another Arkansas school district that also participates in the SHIP through August 31 of the calendar year the employee leaves the district so long as the employee:

- 1) Completes his/her contract with the District;
- 2) Provides the District with notice that the employee is transferring to another district by no later than the last student attendance day of the current school year;
- 3) Provides the District with proof of employment at another Arkansas district; and
- 4) Has the employee portion of the premium removed from his/her end-of-year checks or pays the District business office the employee portion of the premium by June 15th for both July and August.

Measurement Method of Employee Hours

The Cabot School District uses the look-back method for determining if an employee qualifies as a full-time employee. The District uses the months of September to August as the look-back period.

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For all full-time employees who are enrolled in a PSELHIP plan, the District shall indicate in box twelve (12) of the employee's Form W-2 the cost of the employee's health care coverage by using code "DD".

Statement of Return

The District shall send to each full-time employee a Statement of Return (Statement) regarding the IRS Return filed on the employee. The Statement shall contain: The District's name, address, and Employer Identification Number (EIN) as well as a copy of the IRS Return filed on the employee. The District shall send a copy of the Statement to the employee on or before January 31 of the calendar year following the calendar year the information in the Statement covers. The District shall send only one Statement to the household of an employee who meets the definition of a responsible individual that will include all requisite information for both the responsible individual and the responsible individual's dependent(s). The Statement will be mailed to the employee's address on record.

Legal References: A.C.A. § 6-17-1117
A.C.A. § 21-5-401 et seq.
26 C.F.R. § 54.4980h-0 et seq.
26 C.F.R. § 31.6001-1

Date Adopted: May 17, 2016
Last Revised: May 19, 2020