CONCEPTS AND ROLES

The Board of Trustees recognizes that prudent financial decisions are crucial to the District’s ability to provide a high-quality education for students. It is therefore essential that the Board establish reliable budget development processes and adopt a responsible budget with spending priorities which reflect the District’s vision and goals. When needed, the Board shall advocate and seek community, state or federal support for additional financing.

(cf. 0100 - Philosophy)
(cf. 0200 - Goals for the School District)

The Board expects sound fiscal management from the administration. The Superintendent/Principal or designee shall prepare the detailed annual budget and present it to the Board for review and adoption. He/she shall administer the adopted budget in accordance with Board policies and accepted business procedures.

(cf. 3100 - Budget)
(cf. 3400 - Management of District Assets/Accounts)

The Board shall monitor financial operations so as to ensure the District’s fiscal integrity. The Superintendent/Principal or designee shall make all required financial reports, recommend auditor(s) to the Board, recommend financial plans for meeting program needs, and keep the Board fully informed about the District’s fiscal and noninstructional operations.

(cf. 3460 - Financial Reports and Accountability)

The Board shall make every effort to ensure that the District provides a healthy school environment and maintains high standards of safety in the operation of facilities, equipment and services. The Superintendent/Principal or designee shall establish a risk management program that promotes safety and protects District resources.

(cf. 3514 - Environmental Safety)
(cf. 3515 - Campus Security)
(cf. 3530 - Risk Management/Insurance)
(cf. 9000 - Role of the Board)

Legal Reference:

EDUCATION CODE
35035 Powers and duties of superintendent
35160 Authority of governing boards
35160.1 Broad authority of school District
35161 Powers and duties of governing boards

Policy
adopted: May 10, 2000

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
FISCAL POLICY TEAM

The Board of Trustees recognizes that sound fiscal management requires anticipating financial problems and taking early corrective action.

A fiscal policy team shall be established to regularly review the District's financial condition, report to the Board on vital financial data, advise the Board regarding the maintenance of adequate reserves, and recommend long-range fiscal policies to ensure the viability of the District's educational programs.

The fiscal policy team shall include, the Superintendent/Principal, Business Manager and one Board representative.

(cf. 3100 - Budget)
(cf. 3460 - Financial Reports and Accountability)
(cf. 9140 - Board Representatives)
The Board of Trustees accepts responsibility for adopting a sound budget that is compatible with the District's vision and goals. The Board shall establish and maintain a reserve that meets or exceeds the requirements of law.

(cf. 3300 - Expenditures/Expenditure Authority)

The Board encourages public input in the budget development process and shall hold public hearings in accordance with law.

A budget advisory committee under the direction of the Superintendent/Principal or designee shall review budget proposals at regular intervals and report its findings and recommendations to the Board. This committee shall be composed of members of the community and staff appointed by the Superintendent.

(cf. 1220 - Citizen Advisory Committees)
(cf. 3020 - Fiscal Policy Team)

The Superintendent/Principal or designee shall determine the manner in which the budget is developed and shall schedule the budget adoption process in accordance with the single budget adoption process.

(cf. 3460 - Financial Reports and Accountability)

Legal Reference:( see next page )
BUDGET (continued)

Legal Reference:

EDUCATION CODE
1620-1630 County office of education budget approval
33127 Development of standards and criteria for local budgets and expenditures
33128 Standards and criteria
33129 Standards and criteria; use by local agencies
35035 Powers and duties of superintendent
35161 Powers and duties, generally, of governing boards
42103 Public hearing on proposed budget; requirements for content of proposed budget; publication of notice of hearing
42103.3 Public budget information; CDE sampling and suggested improvements
42122-42129 Budget requirements
42132 Resolutions identifying estimated appropriations limit
42602 Use of unbudgeted funds
42610 Appropriation of excess funds and limitation thereon
45253 Annual budget of personnel commission
45254 First year budget of personnel commission

GOVERNMENT CODE
7900-7914 Expenditure limitations

CODE OF REGULATIONS, TITLE 5
15440-15452 Criteria and standards for school District budgets
15467-15479 Criteria and standards for county office of education budgets

Management Resources:

CDE MANAGEMENT ADVISORIES
0203.92 Implementation of AB 1200, 92-03
BUDGET

The District budget shall be prepared annually from the best possible estimates that District administrative staff can provide. Appropriate consolidation shall occur as the budget progresses through the various levels of review.

The District budget shall be developed in accordance with standards and criteria for fiscal accountability adopted by the State Board of Education. (Education Code 33129)

(cf. 3460 - Financial Reports and Accountability)

Budget Development and Adoption Process

The Superintendent or designee shall establish an annual budget development process and calendar in accordance with the single budget adoption process described in Education Code 42127(i). He/she shall annually notify the County Superintendent of Schools of the district's decision to use the single budget adoption process in the subsequent year.

Before adopting the budget, the Board of Trustees shall hold a public hearing. The proposed budget shall be available for public inspection at least three working days before this hearing. (Education Code 42103, 42127)

An agenda for this hearing shall be posted at least 72 hours before the hearing and shall indicate the location where the budget may be inspected. (Education Code 42127)

Any District resident may appear at the public hearing and speak to the proposed budget or any item on the budget. The hearing may conclude when all residents who so desire have had the opportunity to be heard. (Education Code 42103) Sufficient time shall be allowed so that the budget can still be adopted by July 1.

(cf. 9320 - Meetings and Notices)
(cf. 9323 - Meeting Conduct)

The Superintendent/Principal or designee shall file the adopted budget with the County Superintendent no later than five days after adoption or by July 1, whichever occurs first. The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)

No later than 45 days after the Governor signs the annual Budget Act, the Superintendent/Principal or designee shall make available for public review any revisions in budgeted revenues and expenditures which are consequently necessary. (Education Code 42127)
BUDGET

If the County Superintendent disapproves the District's budget, the Board shall review and respond to his/her recommendations at a public meeting on or before September 8. (Education Code 42127)

On or before September, 8, the Board shall revise the budget to include:

1. Changes after July 1 related to income and expenditures, and
2. Any response to the County Superintendent's recommendations. (Education Code 42127)

The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)

Before revising the budget, the Board shall hold a second public hearing. The budget shall be available for public inspection at least three working days before this hearing. (Education Code 42103, 42127)

An agenda for this hearing shall be posted at least 72 hours before the hearing and shall indicate the location where the budget may be inspected. (Education Code 42127)

Any District resident may appear at the public hearing and speak to the budget or any item on the budget. The hearing may conclude when all residents who so desire have had the opportunity to be heard. (Education Code 42103) Sufficient time shall be allowed so that the revised budget can be adopted by September 8.

(cf. 9320 - Meetings and Notices)
(cf. 9323 - Meeting Conduct)

Budget Criteria and Standards

In developing the district budget, the Superintendent or designee shall analyze criteria and standards adopted by the State Board of Education which address estimation of funded average daily attendance (ADA), projected enrollment, ratio of ADA to enrollment, projected revenue limit, salaries and benefits, other revenues and expenditures, facilities maintenance, deficit spending, fund balance, and reserves. The budget review shall also identify supplemental information regarding contingent liabilities, use of one-time revenues for ongoing expenditures, use of ongoing revenues for one-time expenditures, contingent revenues, contributions, long-term commitments, unfunded liabilities, and the status of labor agreements. (Education Code 33127, 33128, 33129; 5 CCR 15440-15451)
Fund Balance

The District hereby establishes and will maintain reservations of Fund Balance, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement (“GASB”) No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund balance information is used to identify the available resources to repay long-term debt, add new programs, expand existing ones, or enhance the financial position of the District, in accordance with policies established by the governing board. This policy shall only apply to the District’s governmental funds. Fund Balance shall be composed of Nonspendable, Restricted, Committed, Assigned, and Unassigned amounts, as defined below.

- Nonspendable fund balance consists of funds that cannot be spent due to their form (e.g. inventories and prepaids) or funds that legally or contractually must be maintained intact. It is the responsibility of the district business official to report these fund balances in the annual financial statements and budget documents.

- Restricted fund balance consists of funds that are mandated for a specific purpose by external parties or enabling legislation (e.g. restricted categorical program resources, bond proceeds). It is the responsibility of the district business official to report these fund balances in the annual financial statements and budget documents.

- Committed fund balance consists of funds that are set aside for a specific purpose by the district’s highest level of decision making authority (the Board of Trustees). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

- Assigned fund balance consists of funds that are set aside with the intent to be used for a specific purpose.

- Unassigned fund balance consists of residual fund balances that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also includes the resources necessary to meet unexpected expenditures and revenue shortfalls (e.g. the Reserve for Economic Uncertainty).
Authority to Commit Funds and Committed Fund Balances

The governing board is the highest level of decision-making authority for the district. Commitments may be established, modified, or rescinded only through budget adoption or resolutions as approved by the governing board. If the actual amount of the commitment is not available by June 30th, the resolution shall state the process or formula necessary to calculate the actual amount as soon as information is available.

The District has committed through budget adoptions, $175,000 of lottery funds, to be used for the purchase of a new school bus.

The District has elected to continue the use of the Deferred Maintenance Fund 14 and commit the ending fund balance. Expenditures are also authorized according to the five-year plan and may be made with appropriate approval.

Assigned Funds and Delegated Authorities

Amounts that are intended to be used for a specific purpose, but are neither restricted nor committed, shall be reported as assigned fund balance(s). This policy hereby delegates the authority to assign amounts to be used for specific purposes to the Chief Business Official and/or the Superintendent for the purpose of reporting assigned amounts appropriately in the District’s annual financial statements and budget documents.

Unassigned Funds and Minimum Fund Balance

Unassigned funds are residual positive net resources of the general fund in excess of what can be properly classified in one of the four categories described above. They represent the resources available for future spending. The governing board maintains a minimum fund balance policy for the General Fund in order to protect the district against revenue shortfalls or unpredicted one-time expenditures. The minimum unassigned fund balance shall not be less than 8% of the total general fund expenditures as a Reserve for Economic Uncertainties. (Education Code 33128.3; 5 CCR 15450)

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the district considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the district considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.
BUDGET

Annual Review and Determination of Fund Balance Reserve Amounts

Compliance with the provisions of this policy shall be reviewed, presented, and discussed as part of the Unaudited Actuals Financial Reporting process and presentation to the governing board. The amounts of nonspendable, restricted, committed, assigned, and unassigned fund balances shall be reported in the Unaudited Actuals report.

Legal Reference:
EDUCATION CODE
1240 Duties of county superintendent of schools
33127-33131 Standards and criteria for local budgets and expenditures
35035 Powers and duties of superintendent
35161 Powers and duties, generally, of governing boards
42103 Public hearing on proposed budget; requirements for content of proposed budget
42122-42129 Budget requirements
42130-42134 Financial certifications
42140-42141 Disclosure of fiscal obligations
42602 Use of unbudgeted funds
42610 Appropriation of excess funds and limitation thereon
44518-44519.2 Chief business officer training program
45253 Annual budget of personnel commission
45254 First year budget of personnel commission

GOVERNMENT CODE
7900-7914 Appropriations limit

CODE OF REGULATIONS, TITLE 5
15060 Standardized account code structure
15440-15451 Criteria and standards for school district budgets

LUCERNE ELEMENTARY SCHOOL DISTRICT
approved: May 10, 2000
Revised: June 22, 2011
TRANSFER OF FUNDS

Transfers may be made from the designated fund balance or the unappropriated fund balance to any expenditure classification or between expenditure classifications by the Board of Trustees on adoption of a resolution by a majority vote.

The resolution must be approved by the County Superintendent of Schools and filed with the county auditor. (Education Code 42600)

End-of-the-Year Procedures

At the close of the school year, the Superintendent/Principal or designee may, with Board approval, identify and request the County Superintendent of Schools to make transfers between the designated fund balance or the unappropriated fund balance and any expenditure classification(s) or balance any budget expenditure classifications as necessary to permit the payment of obligations incurred by the District during that school year as approved by the Superintendent or designee. (Education Code 42601)

Temporary Transfers Between Classifications

The Board may direct that monies held in any fund or account may be temporarily transferred from one or more of these accounts to another fund or account to be used for the payment of obligations of the District, with limitations as set by Education Code 42603. The transfer shall be accounted for as temporary borrowing and shall not be available for appropriation or be considered income to the borrowing fund or account. (Education Code 42603)

Special Reserve Funds

Upon resolution of the Board, a special reserve fund may be established for such purpose(s) as specified in the resolution. A copy of the resolution shall be filed with the County Superintendent of Schools, as well as the county auditor and treasurer. As necessary, the Board may amend the resolution to specify additional purposes or to withdraw any previously designated purpose. (Education Code 42841)

The Board may expend the money in the special reserve fund for capital outlay for the purpose specified in the resolution. In addition, unless encumbered for ongoing expenses, the Board may expend money in the fund for the general operating purposes of the District. Any money in a special reserve fund that is maintained for purposes other than capital outlay must be transferred into the District's general fund before it is expended. (Education Code 42842)

Adult Education Funds

Adult education funds expended for the operational costs of the adult education program shall be transferred to the general fund in accordance with Education Code 52616.4.
TRANSFER OF FUNDS  (continued)

Deferred Maintenance Funds

Funds deposited in the District’s deferred maintenance fund may be received from any source and shall only be expended for maintenance purposes as provided for in Education Code 17582. (Education Code 17582)

Upon resolution of the Board, excess local funds deposited in the deferred maintenance fund may be transferred to other expenditure classifications when state funds provided pursuant to Education Code 17584 and 17585 are insufficient to fully match the local funds. The resolution shall be approved by a two-thirds vote of the Board and filed with the County Superintendent of Schools and the county auditor. (Education Code 17583)

State School Building Funds

The Board shall transfer to the District state school building fund all funds which are required to be expended for the project for which the apportionment was made. (Education Code 16095)

Legal Reference:

EDUCATION CODE
78 Definition governing board
17582 Deferred maintenance fund; establishment; purpose
17583 Deferred maintenance fund; transfer
17584 Budgeting certification deferred maintenance fund; apportionment
17585 Applications for deferred maintenance funding
41301 Section A state school fund allocation schedule
42125 Designated and unappropriated fund balances
42600 District budget limitation on expenditure
42601 Transfers between funds to permit payment of obligations at close of year
42603 Transfer of monies held in any fund or account to another fund; repayment
42840-42843 Special reserve fund
52616.4 Expenditures from adult education fund
LOTTERY FUNDS

Because amounts received from the California State Lottery fluctuate from year to year, the Board of Trustees shall not commit future lottery funds for any purpose until they have been received.

Because lottery funds were intended to supplement state funds, not substitute for these funds, the Board desires to use these funds for supplemental and nonrecurring expenditures which support educational programs and activities.

The Board shall establish funding priorities and approve all allocations within the parameters of law. Lottery funds shall not be used to acquire real estate, build school facilities, finance research, or serve any other noninstructional purpose, such as those related to school maintenance, business and administrative operations. Products designed for both instructional and noninstructional purposes may be purchased with lottery funds only when they will be used to benefit an educational program or activity.

The Board encourages staff and community members to participate in determining how lottery funds will be used. The Superintendent/Principal or designee shall solicit input through District advisory groups, the school site council, and individual students, staff, parents/guardians and community members.

The Superintendent/Principal or designee shall establish a separate account for the receipt and distribution of lottery funds. (Government Code 8880.5)

Legal Reference:
EDUCATION CODE
14600 Legislative findings and declarations: state control of lottery funds
14700-14701 Use of lottery funds
GOVERNMENT CODE
8880-8880.5 California state lottery: general provisions, including intent and allocation to school Districts

Policy adopted: May 10, 2000

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
FEES AND CHARGES

The Board of Trustees desires to furnish books, materials and instructional equipment as needed for the educational program. Because District needs must be met with limited available funds, the Board may charge fees when specifically authorized by law.

The District shall consider the student and parent/guardian's ability to pay when establishing fee schedules and granting exceptions.

(cf. 1321 - Solicitation of Funds from and by Students)
(cf. 3250 - Transportation Fees)
(cf. 3290 - Gifts, Grants and Bequests)
(cf. 3515.4 - Recovery for Property Loss or Damage)
(cf. 3553 - Free and Reduced Price Meals)
(cf. 5143 - Insurance)
(cf. 6145 - Extracurricular and Cocurricular Activities)
(cf. 9323.2 - Actions by the Board)

Legal Reference: (see next page)
FEES AND CHARGES  (continued)

Legal Reference:

EDUCATION CODE
8760-8773 Outdoor science and conservation programs
17551 Property fabricated by students
19910 Malicious cutting, tearing, defacing, breaking or injuring
19911 Willful detention of property
32221 Insurance for athletic team member
35330 Excursions and field trips
35335 School camp programs
38028 Payment of transportation cost
38054 Transportation of students to places of summer employment
38080-38085 Cafeteria establishment and use
38119 Lease of personal property; caps and gowns
38120 Use of school band equipment on excursions to foreign countries
41902 Allowances by Superintendent of Public Instruction (re driver training)
48904 Liability of parent or guardian
48932 Authorization for activities by student organizations; fund-raising
49063 Notification of rights
49490-49493 School Breakfast and Lunch Program
49500-49505 Meals
49530-49536 Child Nutrition Act of 1974
49550-49560 Meals for needy students
51810-51815 Community service classes
52500 Adult classes; admission of minors
52500.1 Eligibility of high school students for enrollment
52523 Adult education as supplement for high school curriculum
GOVERNMENT CODE
6253 Request for copy; fee
VEHICLE CODE
21113 Public grounds (parking)
CALIFORNIA CONSTITUTION
Article 9, Section 5 Common school system
CODE OF REGULATIONS, TITLE 5
350 Fees not permitted
15500 Food sales in elementary schools
15501 Food sales in high schools and junior high schools
15510 Mandatory meals for needy students
15550-15565 School lunch and breakfast programs
COURT DECISIONS

Policy
adopted:  May 10, 2000

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
FEES AND CHARGES

The District shall not charge fees which are not specifically authorized by law. (5 CCR 350)

The following fees and charges are permissible if approved by the Board of Trustees:

1. Accident and medical insurance premiums (Education Code 32221)
   
   (cf. 5143 - Insurance)

2. Expenses of students' participation in a field trip or excursion to another state, the District of Columbia or a foreign country (Education Code 35330)
   
   (cf. 6153 - School-Sponsored Trips)

3. School outdoor science camp programs operated pursuant to Education Code 8760-8773 (Education Code 35335)
   
   (cf. 6142.5 - Environmental Education)

4. Personal property of the District fabricated by students, at cost (Education Code 17551)

5. Fees for community service classes (Education Code 51815)

6. Actual costs of duplication for copies of public records, student records or other materials (Government Code 6253; Education Code 49063)
   
   (cf. 1340 - Access to District Records)

7. Food sold at school subject to restrictions specified in law (Education Code 38080-38085, 49490-49493, 49500-49505, 49530-49536, 49550-49560; Code of Regulations, Title 5, Section 15500-15501, 15510, 15550-15565)
   
   (cf. 3551 - Food Service Operations/Cafeteria Funds)
   (cf. 3553 - Free and Reduced Price Meals)
   (cf. 3554 - Other Food Sales)

8. Fines or reimbursements for lost or damaged District property (Education Code 19910-19911, 48904)
   
   (cf. 3515.4 - Recovery for Property Loss or Damage)
SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES

When District-owned books, equipment and supplies become unusable, obsolete, or no longer needed, the Superintendent/Principal or designee shall identify these items to the Board of Trustees, together with their estimated value and a recommendation that they be sold or disposed of by one of the methods prescribed in law and administrative regulations. With Board approval, the Superintendent/Principal or designee shall arrange for the sale or disposal of these items.

Instructional materials may be considered obsolete or unusable when they:

1. Contain information rendered inaccurate or incomplete by new discoveries or technologies
2. Have been replaced by more recent versions or editions of the same material and are of no foreseeable value in other instructional areas
3. Contain demeaning, stereotyping or patronizing references to either sex, members of racial, ethnic, religious, vocational or cultural groups, or persons with physical or mental disabilities
4. Have been inspected and discovered to be damaged beyond use or repair

The Superintendent/Principal or designee shall establish procedures to be used when selling equipment for which the federal government has a right to receive all or part of the proceeds. These procedures shall ensure a reasonable amount of competition so as to result in the highest possible revenue.

(cf. 3440 - Inventories)

Legal Reference:

EDUCATION CODE
17540-17542 Sale or lease of personal property by one District to another
17545-17555 Sale of personal property
42291.5 Temporary school bus designation
42303 School bus sale to another District
60500 Determination of obsolescence
60510-60511 Donation or sale
60520-60521 Disposition of sale proceeds
60530 Methods of destruction
62000.4 Instructional materials program, sunset date

GOVERNMENT CODE
25505 District property; disposition; proceeds
UNITED STATES CODE, TITLE 40
484 Surplus property
CODE OF FEDERAL REGULATIONS, TITLE 34
80.32 Equipment acquired under a grant or subgrant

Policy adopted: May 10, 2000

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES

The Board of Trustees may dispose of personal property belonging to the District by any of the following methods:

1. If the Board members attending a meeting unanimously agree that the property is worth no more than $2,500, the Board may designate any District employee to sell the property without advertising. (Education Code 17546)

2. The Board may advertise for bids and either sell the property to the highest responsible bidder or reject all bids. (Education Code 17545)

   Notice for bids shall be posted in at least three public places in the District for at least two weeks or published at least once a week for at least two weeks in a newspaper having a general circulation in the District and, if possible, published within the District. (Education Code 17545)

   Property for which no qualified bid has been received may be sold, without further advertising, by the Superintendent/Principal or designee. (Education Code 17546)

3. The Board may authorize the sale of the property by means of a public auction conducted by District employees, employees of other public agencies, or by contract with a private auction firm. Notice related to the auction shall be posted or published as described in item #2 above. (Education Code 17545)

4. Without advertising for bids, the Board may sell the property to agencies of federal, state or local government, to any other school District, or to any agency eligible under the federal surplus property law (40 USC 484(j)(3)). In such cases, the sale price shall equal the cost of the property plus estimated cost of purchasing, storing and handling. (Education Code 17540)

5. Without advertising for bids, the Board may sell or lease the property to agencies of federal, state or local government or to any other school District. In such cases, the price and terms of the sale or lease shall be fixed by the Board and approved by the County Superintendent of Schools. (Education Code 17542)

6. If the Board members attending a meeting unanimously find that the value of the property is insufficient to defray the costs of arranging a sale, the property may be donated to a charitable organization deemed appropriate by the Board or may be disposed of by dumping. (Education Code 17546)

Money received from the sale of surplus property shall be either deposited in the District reserve or general fund or credited to the fund from which the original purchase was made. (Education Code 17547)
SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES (continued)

Instructional Materials

Surplus or undistributed obsolete instructional materials that are usable for educational purposes may be donated to any governing board, county free library or other state institution; any United States public agency or institution; any nonprofit charitable organization; or children or adults in California or foreign countries for the purpose of increasing literacy. They also may be sold to any organization that agrees to use the materials for educational purposes. (Education Code 60510)

Any organization, agency or institution receiving obsolete instructional materials from the District shall certify to the Board that it agrees to use the materials for educational purposes and make no charge to any persons to whom the materials are given or lent. (Education Code 60511)

At least 60 days before disposing of these instructional materials, the Board shall notify the public of its intention to do so through a public service announcement on a local television station, in a local newspaper, or by another means the Board believes will most effectively reach the entities described above. The Board shall also permit representatives of these entities and members of the public to address the Board regarding the distribution of these materials.

(cf. 9323 - Meeting Conduct)

Surplus or undistributed obsolete instructional materials which are unusable or which cannot be distributed as specified above may be disposed of by either of the following: (Education Code 60530)

1. By being mutilated so as not to be salable and sold for scrap at the highest obtainable price

2. By being destroyed by any economical means at least 30 days after the Board has given notice to all persons who have requested such notice

(cf. 9323.2 - Actions by the Board)

School Buses

Upon receiving a state apportionment for the replacement of a school bus, the Board may sell the bus that is being replaced to another California school District if the following conditions are met: (Education Code 42303)

1. The other District is replacing a bus that is in service and has not been designated a temporary school bus pursuant to Education Code 42291.5.
SALE AND DISPOSAL OF BOOKS, EQUIPMENT AND SUPPLIES (continued)

2. The bus being replaced by the other District is older than the bus that is being sold by this District.

3. The bus being replaced by the other District is not sold to a third school District.

4. The other District, by Board resolution, holds the state and this District harmless for any liability that may result from the bus that this District is selling.

5. The proceeds from the sale of the bus shall be used by this District for home-to-school transportation purposes.

6. Before the sale is finalized, the bus being sold is in compliance with all relevant provisions of the Vehicle Code and 13 CCR.
SALE, LEASE, RENTAL OF DISTRICT-OWNED REAL PROPERTY

The Board of Trustees shall dispose of District property whenever it is apparent the District will have no further use for it. If property currently unused will be needed at some future time, the Board may lease it to a governmental or private agency or individual. (Education Code 17453, 17455-17484)

When required by law, the Board shall appoint a District advisory committee to advise the Board in the development of policies and procedures governing the use or disposition of the school or school building space which is not needed for school purposes. (Education Code 17388)

Before offering to sell or lease surplus real property to any other parties, the District may offer it to designated child care providers for child care and development purposes.

The sale, lease or rental of District property for child care purposes shall be especially encouraged for programs that are properly licensed, provide adequate insurance coverage, are financially self-supporting and maintain a safe environment through good management and supervision.

(cf. 5148 - Child Care and Development)

When surplus property is not sold or leased to child care providers, the Board shall offer to sell or lease it, with an option to buy, in accordance with the priorities set forth in Education Code 17464 and 17230 and in Government Code 54222.

Any lease or sale made by the Board will conform in all particulars to the provisions of law.

Legal Reference:

EDUCATION CODE
8469.5 Use of school facilities or grounds for school age child care
17022 Approval of new facilities
17219 Acquisition of property not utilized as school site; nonuse payments; exemptions
17230 Surplus property
17385 Conveyances to and from school Districts
17387-17391 Advisory committees for use of excess school facilities
17406 Right of District to lease property under lease providing for construction of building
17453 Lease of surplus District property
17455-17484 Sale or lease of real property
17515-17526 Joint occupancy
17527-17535 Joint use of District facilities
38134 Groups which may use school facilities without charge; charges for use by other groups

GOVERNMENT CODE
54222 Offer to sell or lease property
The District advisory committee on use or disposition of surplus school buildings or space shall consist of seven to 11 members representative of the following: (Education Code 17389)

1. The District’s ethnic, age group and socioeconomic composition
2. The business community, such as store owners, managers or supervisors
3. Landowners or renters, with preference to representatives of neighborhood associations
4. Teachers
5. Administrators
6. Parents/guardians of students
7. Persons with expertise in environmental impact, legal contracts, building codes, land use planning, local zoning, and other local land use restrictions

This committee shall: (Education Code 17390)

1. Review projected school enrollment and other data to determine the amount of surplus space and real property
2. Establish and circulate throughout the attendance area a priority list for use of surplus space and real property that will be acceptable to the community
3. Hold hearings, with community input, on acceptable uses of space and real property, including the sale or lease of surplus real property for child care development purposes
4. Make a final determination of limits of tolerance of use of space and real property
5. Send the Board of Trustees its recommendations regarding uses of surplus space and real property

**Sale, Lease or Rental for Child Care Purposes**

Any surplus real property sold or leased to designated child care providers for child care and development purposes shall comply with legally specified outdoor activity space requirements for child care facilities. The provisions of Education Code 17458 shall apply to any such sale or lease.
SALE, LEASE, RENTAL OF DISTRICT-OWNED REAL PROPERTY  (continued)

The use of District facilities or grounds for extended day care services shall be granted only in accordance with the provisions of Education Code 38134. (Education Code 8469.5)

(cf. 1330 - Use of School Facilities)
GIFTS, GRANTS AND BEQUESTS

The Board of Trustees may accept any bequest or gift of money or property on behalf of the District. While greatly appreciating suitable donations, the Board discourages any gifts which may directly or indirectly impair its commitment to providing equal educational opportunities for all District students.

(cf. 0410 - Nondiscrimination in District Programs and Activities)

Before accepting a gift, the Board shall consider whether the gift:

1. Has a purpose consistent with the District's vision and philosophy
2. Begins a program which the Board would be unable to continue when the donated funds are exhausted
3. Entails undesirable or excessive costs
4. Implies endorsement of any business or product

(cf. 1325 - Advertising and Promotion)

The Board shall carefully evaluate any conditions or restrictions imposed by the donor in light of District philosophy and operations. If the Board feels the District will be unable to fully satisfy the donor's conditions, the gift shall not be accepted.

Gift books and instructional materials shall be accepted only if they meet regular District criteria.

(cf. 6161.1 - Selection and Evaluation of Instructional Materials)

Legal Reference:

EDUCATION CODE
1834 Acquisition of materials and apparatus
35162 Power to sue, be sued, hold and convey property
41030 School District may invest surplus monies from bequest or gifts
41031 Special fund or account in county treasury
41032 Authority of school board to accept gift or bequest; investments; gift of land requirements
41035 Advisory committee
41036 Function of advisory committee
41037 Rules and regulations
EXPENDITURES/EXPENDING AUTHORITY

The Superintendent/Principal or designee may purchase supplies, materials, equipment and services up to the amounts specified in Public Contract Code 20111, beyond which a competitive bidding process is required.

(cf. 3310 - Purchasing Procedures)
(cf. 3311 - Bids)
(cf. 3312 - Contracts)

The Superintendent/Principal or designee may authorize an expenditure which exceeds the budget classification allowance against which the expenditure is the proper charge only if an amount sufficient to cover the purchase is available in the budget for transfer by the Board of Trustees.

(cf. 3100 - Budget)
(cf. 3110 - Transfer of Funds)

All transactions entered into by the Superintendent/Principal or designee on behalf of the Board shall be reviewed by the Board every 60 days. (Education Code 17605)

No District funds shall be expended for the purchase of alcoholic beverages. (Education Code 32435)

The Board shall not recognize obligations incurred contrary to Board policy and administrative regulations.

Legal Reference:

EDUCATION CODE
17604 Delegation of powers to agents; liability of agents
17605 Delegation of authority to purchase supplies and equipment
32435 Prohibited use of public funds
35010 Control of District; prescription and enforcement of rules
35035 Powers and duties of superintendent
35272 Educational and athletic materials
38083 Purchase of perishable foodstuffs and seasonal commodities
41010 Accounting system
41014 Requirement of budgetary accounting

PUBLIC CONTRACT CODE
20111 Contracts over $50,000; contracts for construction; award to lowest responsible bidder
PURCHASING PROCEDURES

The Superintendent/Principal or designee shall maintain effective purchasing procedures in order to ensure that maximum value is received for money spent by the District and that records are kept in accordance with law.

Insofar as possible, goods and services purchased shall meet the needs of the person or department ordering them at the lowest price consistent with standard purchasing practices. Maintenance costs, replacement costs and trade-in values shall be considered when determining the most economical purchase price.

(cf. 3314.2 - Revolving Funds)
(cf. 3440 - Inventories)

All purchases shall be made by formal contract or purchase orders, or shall be accompanied by a receipt.

(cf. 3300 - Expenditures/Expending Authority)
(cf. 3312 - Contracts)

Legal Reference:

EDUCATION CODE
17604 Delegation of powers to agents; approval or ratification of contracts by governing board
17605 Delegation of authority to purchase supplies and equipment
35250 Duty to keep certain records and reports

GOVERNMENT CODE
4331 Preference to supplies manufactured or produced in state

PUBLIC CONTRACT CODE
3410 U.S. produce and processed foods
12168 Preference for recycled paper products
12210 Purchase of recycled products
Preferred Products

Whenever recycled products of equal fitness and quality are available at no more than the cost of nonrecycled products, the District shall purchase recycled products. The District also may give preference to the suppliers of recycled products. (Public Contract Code 12168, 12210)

Price, fitness and quality being equal, the District shall give preference to supplies manufactured, grown or produced in California, and shall next prefer supplies partially manufactured, grown or produced in California. (Government Code 4331)

When purchasing food, the District shall give preference to produce grown in the United States and/or processed in the United States insofar as this is economically feasible considering the total cost, quantity and quality of the food. (Public Contract Code 3410)
BIDS

The District shall purchase equipment, supplies and services using competitive bidding when required by law and in accordance with statutory requirements for bidding and bidding procedures. In addition, formal bids may be required whenever it appears to be in the best interest of the District.

To ensure that good value is received for funds expended, specifications shall be carefully designed and shall describe in detail the quality, delivery and service required.

To assist the District in determining whether bidders are responsible, the Board of Trustees may require prequalification procedures as allowed by law and specified in administrative regulation. A copy of any applicable administrative regulations shall be provided to bidders with all bid specifications.

(cf. 9270 - Conflict of Interest)

Legal Reference: (see next page)
BIDS (continued)

Legal Reference:

EDUCATION CODE
17595 Purchases through Department of General Services
38023 Transportation bids and contracts for services
38083 Purchase of perishable foodstuffs and seasonable commodities
38110 Purchase of supplies through county superintendent
38111 Purchases by District governing board
38112 Purchases of necessary supplies

GOVERNMENT CODE
4330-4334 Preference of California-made materials
6252 Definitions for California Public Records Act
53060 Special services and advice

PUBLIC CONTRACT CODE
2000-2001 Responsive bidders
3400 Bids, specifications by brand or trade name not permitted
3410 United States produce and processed foods
12161 Definitions, recycled paper products
12168 Preference for purchase of recycled paper products
12169 Bidders to specify percentage of recycled paper product
12200 Definitions, recycled goods, materials and supplies
12210 Purchase of recycled products preferred
12213 Specification by bidder of recycled content
20107 Bidder's security
20111-20118.4 School Districts especially:
20111 Contracts over $50,000; contracts for construction; award to lowest responsible bidder
20189 Bidder's security, earthquake relief
22002 Definition of public project
22030-22045 Alternative procedures for public projects (UPCCAA), especially:
22032 Dollar amount limits for public projects
22050 Alternative emergency procedures

COURT DECISIONS
City of Inglewood-Los Angeles County Civic Center Authority v. Superior Court, (1972) 7 Cal.3d 861
BIDS

Advertised Bids

The District shall seek competitive bids through advertisement for contracts involving an expenditure of $15,000 or more for a public project. (Public Contract Code 20111)

"Public project" includes construction, reconstruction, erection, alteration, renovation, improvement, painting, repainting, demolition and repair work involving a District owned, leased or operated facility. (Public Contract Code 22002)

The amount by which contracts shall be competitively bid shall escalate automatically based upon the annual adjustment by the Superintendent of Public Instruction.

Competitive bids shall be sought through advertisement for contracts exceeding $53,900 for the following: (Public Contract Code 20111)

1. The purchase, rent or lease of equipment, material or supplies

2. Services, not including construction services, professional services or advice, and insurance services.

3. Repairs, including maintenance that is not a public project

"Maintenance work" means routine, recurring and usual work for preserving, protecting and keeping a District facility operating in a safe, efficient and continually usable condition for the intended purpose for which it was designed, improved, constructed, altered or repaired. "Maintenance" includes, but is not limited to, carpentry, electrical, plumbing, glazing and other craft work designed to preserve the facility as well as repairs, cleaning and other operations on machinery and other permanently attached equipment. This definition does not include, among other types of work, janitorial or custodial services and protection provided by security forces, nor does it include painting, repainting or decorating other than touchup. (Public Contract Code 20115)

Unless otherwise authorized by law, contracts shall be let to the lowest responsible bidder who shall give such security as the Board of Trustees requires, or else all bids shall be rejected. (Public Contract Code 20111)

When letting a contract for the procurement and/or maintenance of electronic data processing systems and supporting software, the Board may contract with any one of the three lowest responsible bidders. (Public Contract Code 20118.1)
The Board shall secure bids for any transportation service expenditure of more than $10,000 when contemplating that such a contract may be made with a person or corporation other than a common carrier, municipally owned transit system or a parent/guardian of students who are to be transported. The Board may let this contract to other than the lowest bidder. (Education Code 38023)

No work, project, service or purchase shall be split or separated into smaller work orders or projects for the purpose of evading the legal requirements of Public Contract Code 20111-20116 for contracting after competitive bidding. (Public Contract Code 20116)

**Instructions and Procedures for Advertised Bids**

The Superintendent/Principal or designee shall call for bids by advertising in a local newspaper at least once a week for two weeks. The notice shall state the work to be done or materials or supplies to be furnished and the time and place where bids will be opened. (Public Contract Code 20112)

Bid instructions and specifications shall include the following requirements and information:

1. All bidders, including bidders for printing contracts, shall specify the minimum, if not exact, percentage of recycled product in the products offered, and both the postconsumer and secondary waste content. (Public Contract Code 12169, 12213)

2. All bids for construction work shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security: (Public Contract Code 20107, 20111)
   a. Cash
   b. A cashier's check made payable to the District
   c. A certified check made payable to the District
   d. A bidder's bond executed by an admitted surety insurer and made payable to the District

   The security of unsuccessful bidders shall be returned in a reasonable period of time, in no event any later than 60 days after the bid is awarded. (Public Contract Code 20111)

3. Under no condition shall bids be accepted after the advertised bid opening time, regardless of whether the bids are actually opened at that time. (Public Contract Code 20112)
BIDS (continued)

4. When two or more identical bids are received, the Board may determine by lot which bid shall be accepted. (Public Contract Code 20117)

5. Any subsequent change or alteration of a contract shall be governed by the provisions of Public Contract Code 20118.4.

6. After being opened, all submitted bids shall be made available for review by all interested parties. (Government Code 6252)

(cf. 1340 - Access to District Records)

Bids Not Required

Upon a case-by-case determination that it is in the best interests of the District and to the extent permitted by law, the Board may authorize the purchase, lease or contract for equipment and supplies through a public corporation or agency without advertising for bids. (Public Contract Code 20118)

(cf. 3310 - Purchasing Procedures)

Supplementary textbooks, library books, periodicals, educational films, audiovisual materials, test materials, workbooks and instructional computer software packages may be purchased without taking estimates or advertising for bids. (Public Contract Code 20118.3)

Perishable commodities such as foodstuffs may be purchased through bid or on the open market, depending on District preference. (Education Code 38083)

In an emergency when repairs, alterations, work or improvement to any school facility is necessary for the continuance of existing school classes or to avoid danger to life or property, the Board, by unanimous vote and with the approval of the County Superintendent of Schools, may contract for labor and materials or supplies without advertising for or inviting bids. (Public Contract Code 20113)

Bids shall also not be required for day labor under circumstances specified in law. Day labor shall include the use of maintenance personnel employed on a permanent or temporary basis. (Public Contract Code 20114)

Whenever the total number of hours on the job does not exceed 350 hours, day labor may be used to erect new buildings and for the following purposes: (Public Contract Code 20114)

1. School building repairs, alterations, additions

2. Painting, repainting or decorating of school buildings
BIDS (continued)

3. Repair or building of apparatus or equipment
4. Improvements on school grounds
5. Maintenance work as defined above

Sole Sourcing

Specifications for contracts for construction, alteration or repair of school facilities may not limit bidding to any one product or supplier. Specifications designating a particular brand name shall list at least two brands of comparable quality and follow the description with the words “or equal.” (Public Contract Code 3400)

Specifications for contracts may designate a product by brand or trade name (sole sourcing) when one or more of the following conditions apply: (Public Contract Code 3400)

1. The product is designated to match others in use on a particular public improvement that has been completed or is in the course of completion
2. One product has a unique application required to be used in the public interest
3. Only one brand name is known, or
4. Upon resolution of the Board, the Board makes a finding that the item sought is the subject of a field test to determine its suitability for future use

Prequalification Procedure

For any contract for which bids are legally required, the Board may require that each prospective bidder complete and submit a standardized questionnaire and financial statement. For this purpose, the Superintendent/Principal or designee shall supply a form which requires a complete statement of the bidder's financial ability and experience in performing public works. Prospective bidders shall submit the questionnaire and financial statement at least five days before the date fixed for public opening of sealed bids. The information shall be verified under oath in the manner in which civil law pleadings are verified. The questionnaires and financial statements shall not be public records and shall not be open to public inspection. (Public Contract Code 20111.5)

The Superintendent/Principal or designee shall establish a uniform system for rating bidders on the basis of completed questionnaires and financial statements in order to determine the size of contracts on which each bidder is qualified to bid. Bidders must be deemed prequalified by the District at least one day before the fixed bid-opening date. (Public Contract Code 20111.5)
BIDS (continued)

The Superintendent/Principal or designee shall furnish each qualified bidder with a standardized proposal form. Bids not presented on the standard form shall be disregarded. (Public Contract Code 20111.5)

Protests by Bidders

A bidder may protest a bid award if he/she believes that the award was inconsistent with Board policy, the bid’s specifications or not in compliance with law.

A protest must be filed in writing with the Superintendent/Principal or designee within five working days after receipt of notification of the contract award. The bidder shall submit all documents supporting or justifying the protest. A bidder’s failure to timely file a protest shall constitute a waiver of his/her right to protest the award of the contract.

The Superintendent/Principal or designee shall review the documents submitted with the bidder’s claims and render a decision in writing within 30 days. The Superintendent/Principal or designee also may convene a meeting with the bidder in order to attempt to resolve the problem.

The bidder may appeal the Superintendent/Principal or designee’s decision to the Board. The Superintendent/Principal or designee shall provide reasonable notice to the bidder of the time for Board consideration of the contract award.

Regulation
approved: May 10, 2000

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
The Superintendent/Principal or designee may enter into contracts on behalf of the District. All contracts must be approved or ratified by the Board.

(cf. 3300 - Expenditures/Expending Authority)
(cf. 3314 - Payment for Goods and Services)
(cf. 3400 - Management of District Assets/Accounts)

All contracts between the District and outside agencies shall conform to standards required by law and shall be prepared under the direction of the Superintendent/Principal or designee.

(cf. 2121 - Superintendent's Contract)
(cf. 4312.1 - Contracts)
(cf. 9124 - Attorney)

The District upholds state nondiscrimination laws. All contracts made by the District shall contain a nondiscrimination clause in accordance with law.

(cf. 0410 - Nondiscrimination in District Programs and Activities)

Legal Reference:

EDUCATION CODE
200-262.4 Prohibition of discrimination on the basis of sex
14505 Provisions required in contracts for audits
17595-17606 Contracts
45103.5 Contracts for management consulting service related to food service

CODE OF CIVIL PROCEDURE
685.010 Rate of interest

GOVERNMENT CODE
12990 Nondiscrimination and compliance employment programs
53260 Contract provision re maximum cash settlement
53262 Ratification of contracts with administrative officers

LABOR CODE
1775 Penalties for violations
1810-1813 Working hours
6705 Trench excavation

PUBLIC CONTRACT CODE
4100-4114 Subletting and subcontracting fair practices
7104 Contracts for excavations; discovery of hazardous waste
7106 Noncollusion affidavit
20104.50 Construction Progress Payments
22300 Performance retentions

UNITED STATES CODE, TITLE 42
1681-1688 Title IX, discrimination
STATE ALLOCATION BOARD CONTRACTS

Disabled Veteran Business Enterprise Participation

When a lease-purchase contract or emergency portable building project contract of over $10,000 is funded in whole or in part by state bonds, the District shall comply with disabled veteran business enterprise participation requirements established by the State Allocation Board.

Upon request, the District shall provide bidders with information to help them identify such businesses.

Bidders for contracts of over $10,000 under California lease-purchase or emergency portable building laws shall provide certification of one of the following:

1. That at least three percent of the dollar amount of the contract will be performed by a certified disabled veteran business enterprise. Approval letter(s) from the Office of Small and Minority Business shall be included with the certification.

2. That they have made a good faith effort to comply with disabled veteran business enterprise participation requirements for such contracts. To demonstrate a good faith effort, the bidder shall submit documentation of all of the following:
   a. Contact with the District to identify disabled veteran business enterprises
   b. Contact with the Office of Small and Minority Business and local disabled veteran business organizations to identify disabled veteran business enterprises
   c. Advertising published in trade papers and papers focusing on disabled veteran business enterprises
   d. Submission of bid invitations to potential disabled veteran business enterprises
   e. Consideration given to available disabled veteran business enterprises

Bidders are encouraged to advertise at least 14 calendar days prior to bid/proposal opening, or for as many days as possible. The only exception arises when time constraints imposed by the District prohibit the bidder from advertising; all bidders shall be notified of this exception.
STATE ALLOCATION BOARD CONTRACTS  (continued)

The Superintendent/Principal or designee shall use the above documentation to evaluate bidders’ efforts to seek out and consider disabled veteran business enterprises as potential subcontractors or suppliers of material or equipment. This evaluation shall be submitted for review by the Office of Public School Construction (OPSC). Bidders shall be eligible for the award of a District contract if they meet the participation goal or are found to have made a good faith effort to meet the goal.

(cf. 3311 - Bids)

Legal References:
COURT DECISIONS

Management Resources:
OFFICE OF PUBLIC SCHOOL CONSTRUCTION PUBLICATIONS
Disabled Veteran Business Enterprise Forms and Information Package
EDUCATIONAL TRAVEL PROGRAM CONTRACTS

The Board of Trustees believes that field trips and other travel opportunities for students are a valuable tool in supporting classroom instruction and promoting students' awareness of places and events. In contracting with organizations to provide educational travel services, the Board desires to ensure a quality educational experience and the health, safety and welfare of each student traveler.

The Superintendent/Principal or designee shall contract only with educational travel organizations which adhere to state law and exhibit safe and reputable business practices.

(cf. 3312 - Contracts)
(cf. 3541.1 - Transportation for School-Related Trips)
(cf. 6153 - School-Sponsored Trips)

The Superintendent/Principal or designee shall establish procedures for selecting the highest quality vendor, taking into account student safety, quality of the program and fiscal integrity.

Legal Reference:

EDUCATION CODE
35160 Authority of boards
35160.1 Broad authority of school Districts

BUSINESS AND PROFESSIONS CODE
17540 Travel promoters
17550-17550.9 Sellers of travel
17552-17556.5 Educational travel organizations
EDUCATIONAL TRAVEL PROGRAM CONTRACTS

Definitions

*Educational travel organization* or *organization* means a person, partnership, corporation, or other entity which offers educational travel programs for students residing in California. (Business and Professions Code 17552)

*Student traveler* or *student* means a person who is enrolled in elementary or secondary school, grades kindergarten through grade 8, at the time an educational travel program is arranged with an educational travel organization. (Business and Professions Code 17552)

*Educational travel program* means travel services that are arranged through or offered to an elementary or secondary school in the state, and where the services are represented to include an educational program as a component. (Business and Professions Code 17552)

*Owner* means a person or organization which owns or controls 10 percent or more of the equity of, or otherwise has claim to 10 percent or more of the net income of, the educational travel organization. (Business and Professions Code 17554)

*Principal* means an owner, an officer of a corporation, a general partner of a partnership, or a sole proprietor of a sole proprietorship. (Business and Professions Code 17554)

Contract Requirements

The Superintendent/Principal or designee shall ensure that each written contract with an educational travel organization includes all of the following: (Business and Professions Code 17554)

1. The travel organization’s name, trade or business name, business address, business telephone number and a 24-hour emergency contact number

2. An itemized statement which shall include but not be limited to:
   a. Services to be provided as part of the program
   b. Agreed cost for the services
   c. A statement as to whether or not the educational travel organization maintains insurance that supplies coverage in the event of injury to any student traveler, including the type and amount of coverage, the policy number and issuer, and the name and telephone number of the person or organization which is able to verify coverage
   d. Any additional costs to students
EDUCATIONAL TRAVEL PROGRAM CONTRACTS (continued)

e. The qualifications, if any, for experience and training that are required to be met by the educational travel organization’s staff who shall accompany students on the educational travel program

3. A written description of the educational program being contracted for, including a copy of all materials to be provided to students

4. The number of times the educational travel program or a substantially similar educational travel program proposed by the contract has been conducted by the organization and the number of students who completed the program

5. The length of time the organization has either been arranging or conducting educational travel programs and, at the option of the organization, other travel services with substantially similar components

6. The name of each owner and principal of the organization

7. A statement as to whether any owner or principal of the organization has had entered against him or her any judgment, including a stipulated judgment, order, made a plea of nolo contendere or been convicted of any criminal violation in connection with the sale of any travel services for a period of 10 years predating the contract

District staff shall inform all vendors representing educational travel organizations that they may not arrange a travel program before the District has first entered into a written contract with the organization.
PAYMENT FOR GOODS AND SERVICES

The Board of Trustees desires to have invoices paid on time in order that the District may take advantage of available discounts and avoid finance charges. The District shall not be responsible for unauthorized purchases.

(cf. 3300 - Expenditures/Expending Authority)
(cf. 3312 - Contracts)
(cf. 3314.2 - Revolving Funds)
(cf. 3400 - Management of District Assets/Accounts)

The Superintendent/Principal or designee may pay invoices in excess of previously approved purchase order amounts without further Board approval when the excess amount represents sales tax, transportation charges or charges made for the detention of a shipment during loading or unloading.

Legal Reference:

EDUCATION CODE
42630-42651 General provisions - orders, requisitions and warrants
42800-42806 Revolving cash fund
42810 Alternative revolving fund
42820 Prepayment funds

CODE OF CIVIL PROCEDURE
685.010 Rate of interest

GOVERNMENT CODE
5500 Definitions (facsimile signatures)
5501 Filing and certification of manual signature
5503 Unlawful use of facsimile signatures or seals

PUBLIC CONTRACT CODE
7107 Retention proceeds; withholding; disbursement
20104.50 Construction progress payments
PAYMENT FOR GOODS AND SERVICES

Payments Related to Construction

The Superintendent/Principal or designee shall ensure that requests for progress payments related to construction contracts are processed and paid within 30 days. Any improper request shall be returned to the contractor within seven days, together with a written statement of why the request is not proper. (Public Contract Code 20104.50)

Retention proceeds withheld by the District from payments to contractors for construction shall be released within 60 days after the construction or improvement is completed. In the event of a dispute between the District and the contractor, the District may withhold from the final payment an amount not to exceed 150% of the disputed amount. (Public Contract Code 7107)

Authorized Signatures

The Superintendent/Principal or designee may file his/her manual signature with the Secretary of State and may subsequently have a facsimile signature used when executing any instrument of payment. The facsimile signature also may be used to execute any public security, provided that at least one signature required or permitted to be placed on it shall be manually subscribed. (Government Code 5501)
REVOLVING FUNDS

District Revolving Fund

The Board of Trustees has established by resolution a revolving cash fund for use by the Superintendent/Principal or designee in paying for goods, services and other charges determined by the Board, including supplemental payments required to correct any payroll errors. (Education Code 42800-42806, 45167)

At the request of the Board, County Auditor or County Superintendent of Schools, the Superintendent/Principal or designee shall give an account of the fund. (Education Code 42804)

The funds shall be deposited in a bank doing business locally, whose deposits are insured by FDIC. The Superintendent/Principal or designee shall be responsible for all payments into the account as well as expenditures from the account subject to the restrictions established by the Board.

The Board shall review and revise fund usage as appropriate.

(cf. 3400 - Management of District Assets/Accounts)

The Board shall provide an audit of revolving funds on a regular basis. (Education Code 42810)

Legal Reference:

EDUCATION CODE
35160 Authority of governing boards
41020 Audits of all District funds
42238 Local taxation by school Districts
42800-42806 Revolving cash fund
42810 Revolving cash funds; use; administrators
45167 Error in salary
RELATIONS WITH VENDORS

No District employee or Board of Trustees member shall accept personal gifts, commissions or expense-paid trips from individuals or companies selling equipment, materials or services required in the operation of District programs. Gifts include any gift purchased specifically for an employee which is not generally offered to other buyers.

This policy does not prohibit employees from accepting promotional or advertising items such as calendars, desk pads, notebooks and other office gadgets which are offered by business concerns free to all as part of their public relations programs.

District employees who work for or serve as consultants for potential vendors shall not participate in evaluating any equipment, materials or services of that vendor or its competitors.

(cf. 6161.1 - Selection and Evaluation of Instructional Materials)
(cf. 9270 - Conflict of Interest)

This policy does not prohibit the acceptance of materials and/or services which are of use and benefit to the District.

(cf. 3290 - Gifts, Grants and Bequests)

Legal Reference:

EDUCATION CODE

60071 Prohibited offers to influence adoption or purchase of instructional materials
60072 Acceptance of consideration or inducements by school official
60073 Penalties for violation of article
60074 Supplying sample copies
60075 Receiving sample copies
60076 Inapplicability of article; royalties or other compensation of school official for writing or preparing instructional materials; claim of District to royalty
CLAIMS AND ACTIONS AGAINST THE DISTRICT

Any and all claims for money or damages against the District must be presented to and acted upon in accordance with Board of Trustees policy and administrative regulation. Compliance with District procedures is a prerequisite to any court action, unless the claim is governed by statutes or regulations which expressly free the claimant from the obligation to comply with this policy and the claims procedures set forth in the Government Code.

The Board delegates to the Superintendent/Principal or designee the authority to take action on claims of under $50,000. (Government Code 935.4)

This policy is intended to apply retroactively to any existing causes of action and/or claims for money and/or damages.

Legal Reference:

EDUCATION CODE
35200 Liability for debts and contracts
35202 Claims against Districts; applicability of Government Code

GOVERNMENT CODE
800 Cost in civil actions
810-996.6 Claims and actions against public entities
53051 Information filed with secretary of state and county clerk

COURT DECISIONS
CLAIMS AND ACTIONS AGAINST THE DISTRICT

Time Limitations

1. Claims for money or damages relating to a cause of action for death or for injury to person, personal property or growing crops shall be presented to the Board of Trustees no later than six months after the accrual of the cause of action. (Government Code 905, 911.2)

2. Claims for money or damages as authorized in Government Code 905 and not included in paragraph #1 above shall be filed not later than one year after the accrual of the cause of action. (Government Code 905, 911.2)

3. Claims for money or damages specifically excepted from Government Code 905 shall be filed not later than six months after the accrual of the cause of action. (Government Code 905, 911.2, 935)

Late Claims

Claims under paragraphs #1 and #3 above which are filed later than six months after the accrual of the cause of action must be accompanied by an application to file a late claim. Such claim and application to file a late claim must be filed not later than one year after the accrual of the cause of action.

If a claim under paragraphs #1 or #3 is filed late and is not accompanied by the application, the Board or Superintendent/Principal or designee shall, within 45 days, give written notice that the claim was not filed timely and that it is being returned without further action. The notice shall be in the form set forth in Exhibit A.

The application to file a late claim shall state the reason for the delay. The Board shall grant or deny the application within 45 days after it is presented. By mutual agreement of the claimant and the Board, this 45-day period may be extended by written agreement made before the expiration of such period. If the Board does not take action on the application within 45 days, it shall be deemed to have been denied on the 45th day unless such time period has been extended, in which case it shall be denied on the last day of the period specified in the extension agreement.

If the application to present a late claim is denied, the claimant shall be given notice in the form set forth in Exhibit B. (Government Code 911.3, 911.4, 911.6, 911.8, 912.2, 935)
CLAIMS AND ACTIONS AGAINST THE DISTRICT  (continued)

Delivery and Form of Claim

A claim, any amendment thereto, or an application for leave to present a late claim shall be deemed presented when delivered to the office of the Superintendent/Principal or designee or deposited in a post office, subpost office, substation, or mail chute or other like facility maintained by the U.S. Government in a sealed envelope properly addressed to the District office with postage paid. (Government Code 915, 915.2)

Claims may be submitted on the District claim form or as prescribed in Section 910 and 910.2 of the Government Code. (Government Code 910, 910.2, 910.4)

Notice of Claim Insufficiency

The Superintendent/Principal or designee shall review all claims for sufficiency of information. The Superintendent/Principal or designee may, within 20 days of receipt of claim, either personally deliver or mail to claimant a notice as set forth in Exhibit C stating deficiencies in the claim presented. If such notice is delivered or sent to claimant, the Board shall not act upon the claim until at least 15 days after such notice is sent. (Government Code 910.8, 915.4)

Amendments to Claim

Claims may be amended within the above time limits or prior to final action by the Board, whichever is later, if the claim, as amended, relates to the same transaction or occurrence which gave rise to the original claim.

Action on Claim

Within 45 days after the presentation or amendment of a claim, the Board (or Superintendent/Principal or designee, if delegated this authority) shall take action on the claim. (Government Code 912.4) This time limit may be extended by written agreement before the expiration of the 45-day period or before legal action is commenced or barred by legal limitations. (Government Code 912.4) The Superintendent/Principal or designee shall transmit to the claimant a notice of action taken. The notice shall be in the form set forth in Exhibit D. (Government Code 913)

If no action is taken within the prescribed time limits, the claim shall be deemed to have been rejected and the claimant notified in accordance with Government Code 913. (Government Code 945.6)
CLAIMS AND ACTIONS AGAINST THE DISTRICT  (continued)

Roster of Public Agencies

The Superintendent/Principal or designee shall annually verify that all information regarding the school District and the Board is filed accurately with the Roster of Public Agencies in the office of the Secretary of State and the County Clerk. The verified information shall include the name of the school District, the mailing address of the Board, and the names and addresses of the Board presiding officer, the Board clerk or secretary and other members of the Board. (Government Code 53051)
Exhibit A

NOTICE OF FAILURE TO FILE IN A TIMELY MANNER

TO: [Claimant]
    [Address]

RE: Claim Filed [insert date]

The claim you presented to the Superintendent/Principal or designee on [date] is being returned because it was not presented within six months after the event or occurrence as required by law. See Government Code 901, 911.2 and 935. Because the claim was not presented within the time allowed by law, no action was taken on the claim.

Your only recourse at this time is to apply without delay to the District for leave to present a late claim. See Sections 911.4 through 912.2 and Section 946.6 of the Government Code. Under some circumstances, leave to present a late claim will be granted. See Government Code 911.6.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.
EXHIBIT B

WARNING

IF YOU WISH TO FILE A COURT ACTION ON THIS MATTER, YOU MUST FIRST PETITION THE APPROPRIATE COURT FOR AN ORDER RELIEVING YOU FROM THE PROVISIONS OF GOVERNMENT CODE 945.4 (CLAIMS PRESENTATION REQUIREMENT). SEE GOVERNMENT CODE 945.6. SUCH PETITION MUST BE FILED WITH THE COURT WITHIN SIX MONTHS FROM THE DATE YOUR APPLICATION FOR LEAVE TO PRESENT A LATE CLAIM WAS DENIED.

YOU MAY SEEK THE ADVICE OF AN ATTORNEY OF YOUR CHOICE IN CONNECTION WITH THIS MATTER. IF YOU DESIRE TO CONSULT AN ATTORNEY, YOU SHOULD DO SO IMMEDIATELY.
EXHIBIT C

NOTICE OF INSUFFICIENCY

Dear ____________:

Please notice that the claim presented by you on ____________ fails to comply substantially with the requirements of Government Code Sections 910 and 910.2 (or with the requirements of Section 910.4, if a claim is presented on a general claim form provided by the State Board of Control.) Specifically, your claim is insufficient because of the following defects or omissions:

Therefore, the claim is being return to you without further action or consideration. If you wish to pursue this further, you should consult the California Government Code or legal counsel.

The Board will not take any action on the claim for a period of 15 days from the date of this notice.

Dated: ____________________

________________________________________
Signature

________________________________________
Typed Title of Officer)
EXHIBIT D

NOTICE OF ACTION TAKEN ON CLAIM

Dear ____________________

Notice is hereby given that the claim you presented to the District on _____________ was (rejected, allowed, allowed in the amount of $ ______ and rejected to the balance, rejected by operation of law) on (date of action or rejection by operation of law).

WARNING

Subject to certain exceptions, you have only six months from the date this letter was personally delivered or deposited in the mail to file a court action on this claim. See Government Code Section 945.6.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

Dated: ________________

____________________________________
Signature

____________________________________
Typed Title of Officer
The Board of Trustees shall authorize payment for actual and necessary expenses, including travel, incurred by any employee performing authorized services for the District. The rate is as established by the Internal Revenue Code.

The Superintendent/Principal or designee may approve employee requests to attend meetings in accordance with the adopted budget.

Expenses shall be reimbursed within limits approved by the Board. The Superintendent/Principal or designee shall establish procedures for the submission and verification of expense claims. He/she may authorize an advance of funds to cover necessary expenses.

The Board may establish an allowance on either a mileage or monthly basis to reimburse authorized employees for the use of their own vehicles in the performance of assigned duties.

All out-of-state travel for which reimbursement will be claimed shall have Board approval. Travel expenses not previously budgeted also shall be approved on an individual basis by the Board.

Authorized employees may use District credit cards while attending to District business. Under no circumstances may personal expenses be charged on District credit cards.

Legal Reference:

EDUCATION CODE
44016 Travel expense
44032 Travel expense payment
44033 Automobile allowance
44802 Student teacher's travel expense
MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS

In order to oversee the District's financial integrity, the Board of Trustees desires to have a clear picture of the District's current financial condition readily available at all times. Audits and quality control reviews shall be conducted in accordance with law.

The District's accounting system shall provide ongoing internal controls and a means of ascertaining that the District's income and expenditures are in keeping with the adopted budget.

(cf. 3100 - Budget)
(cf. 3300 - Expenditures/Expending Authority)
(cf. 3460 - Financial Reports and Accountability)

Legal Reference:

EDUCATION CODE
14500-14508 Financial and compliance audits, especially:
14503 Standards; use of audit guide; independent auditors; quality control reviews
14504.2 Quality control reviews
14505 Withholding percentage of audit fee until certification of conformance to audit guide; appeal
35035 Powers and duties of superintendent
35250 Duty to keep certain records and reports (accurate account of expenditures and receipts)
41010 Accounting system; requirements for Accounting Manual
41011 Accounting system requirements
41012 Uniform cost accounting procedure to determine allowances for handicapped minors
41013 Transfers from District general funds; accounting rules and regulations
41014 Requirement of budgetary accounting
41020 Requirement for annual audit
41020.3 Review of annual audit
41020.5 Audit not in conformance
42600 District budget limitation on expenditures
42601 Transfers between funds to permit payment of obligations at close of year
42603 Transfer of special or restricted funds moneys
42647 Drawing of warrants by District on county treasurer; form; reports, statements and other data
GOVERNMENT CODE
53995-53997 Obligation of contract
MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS

Accounts

The District's accounting system shall fully comply with the definitions, instructions and procedures set forth in the California Department of Education School Accounting Manual. (Education Code 41010)

The Superintendent/Principal or designee shall ensure that funds are encumbered in the District accounting records immediately after an expenditure is committed for subsequent payment.

(cf. 3110 - Transfer of Funds)

Audit

By April 1 of each year, the Board of Trustees shall provide for an audit of all District accounts, any other funds which are administered pursuant to a joint powers agreement, and attendance procedures. To conduct this audit, the Board shall select a certified public accountant or public accountant licensed by the State Board of Accountancy. The Superintendent/Principal or designee shall establish a timetable for the completion and review of the audit within the deadlines established by law.

The audit shall be conducted in accordance with General Accounting Office standards for financial and compliance audits. (Education Code 14503)

(cf. 3451 - Petty Cash Funds)
(cf. 3452 - Student Activity Funds)
(cf. 3551 - Food Service Operations/Cafeteria Fund)

The audit shall identify all expenditures by source of funds and shall contain: (Education Code 41020)

1. A statement that the audit was conducted pursuant to standards and procedures established in the audit guides developed by the State Controller
2. A summary of audit exceptions and management improvement recommendations
3. A description of the specific actions that are planned or that have been taken to correct any problem identified by the auditor

The Superintendent/Principal or designee shall file the report of the audit with the County Superintendent of Schools, the Department of Education, and the State Controller no later than December 15. (Education Code 41020)
MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS  (continued)

By January 31 of each year, the Board shall review, at an open meeting, the annual District audit for the prior year, any audit exceptions identified in that audit, the recommendations or findings of any management letter issued by the auditor, and any description of correction or plans to correct any exceptions or any issue raised in a management letter. (Education Code 41020.3)

(cf. 9322 - Agenda/Meeting Materials)

Quality Control Reviews

The independent auditor shall complete a quality control review every three years in accordance with General Accounting Office standards. (Education Code 14503)
INVESTING

The Superintendent/Principal or designee may invest as permitted by law all or part of the special reserve fund of the District or any surplus monies not required for immediate District operations. Such investments shall be limited to securities specified in Government Code 16430, 53601 and 53635.

The Board of Trustees recognizes that the Superintendent/Principal or designee has fiduciary responsibility and is subject to prudent investor standards for all investment decisions. As such, District investments must be made with skill, prudence and diligence, with the primary objective of safeguarding the principal of the funds and with the secondary objective of meeting the District's liquidity needs. In order to enhance investment return, the District's third investment objective shall be to generate an investment yield that attains or exceeds a market-average rate of return through economic cycles.

The Board recognizes the importance of overseeing investments made with District funds, including investments by the county treasurer. The Superintendent/Principal or designee shall maintain ongoing communication with any county committees established for the purpose of overseeing county investments. In addition, the Superintendent/Principal or designee shall keep the Board informed about policies that guide the investment of these funds.

The Superintendent/Principal or designee shall annually provide to the Board and any District investment oversight committee a statement of the District's investment policy or, if all District surplus funds are invested with the county treasurer, the county’s investment policy. At a public meeting, the Board shall review this policy and discuss any changes to be made. If the Board decides not to invest surplus funds in the county treasury, the Superintendent/Principal or designee also shall provide the Board quarterly reports with specified components, including a statement of how the District portfolio compares with the District's investment policy. (Government Code 53646)

(cf. 3020 - Fiscal Policy Team)
(cf. 3460 - Financial Reports and Accountability)
(cf. 9270 - Conflict of Interest)

Legal Reference (see next page)
INVESTING (continued)

Legal Reference:

EDUCATION CODE
41001 Deposit of money in county treasury
41002 General fund deposits and exceptions
41002.5 Deposit of certain funds in insured institutions
41003 Funds received from rental of real property
41015 Authorization of and limitation investment of District funds
41017 Deposit of miscellaneous receipts
41018 Disposition of money received
42840-42843 Special reserve fund

GOVERNMENT CODE
16430 Eligible securities for investment of surplus moneys
27130-27137 County treasury oversight committees
53600-53609 Investment of surplus
53630-53686 Deposit of funds, especially:
53635 Local agency funds; deposit or investment
53646 Treasurer reports and statements of investment policy
53852.5 Investment term for funds designated for repayment of notes
53859.02 Borrowing by local agency
INVENTORIES

In order to provide for the proper control and conservation of District property, the Superintendent/Principal or designee shall maintain an inventory of equipment in accordance with law for the following:

1. All items currently valued in excess of $500 (Education Code 35168)
2. All items purchased with federal funds that have a useful life of more than one year with an acquisition cost per unit of $5,000 or more (34 CFR 80.3)

(cf. 3270 - Sale and Disposal of Books, Equipment and Supplies)
(cf. 3290 - Gifts, Grants and Bequests)
(cf. 3512 - Equipment)

The Superintendent/Principal or designee shall maintain an inventory of all property. The following information must be recorded: (Education Code 35168)

1. Name and description of the property
2. Name of titleholder
3. Serial number or other identification number
4. Cost of the property (a reasonable estimate may be used if original cost is unknown)
5. Acquisition date
6. Location of use
7. Any ultimate disposition data including the date and method of disposal and sale price
8. The following information must also be recorded for items acquired with federal funds: (34 CFR 80.32)
   1. Source of the property (funding source)
   2. Use and condition of property
   3. Percentage of federal participation in the cost of the property

At least once every two years, a physical inventory shall be conducted and the results reconciled with the property records. (34 CFR 80.32)
INVENTORIES (continued)

The school shall maintain a copy of its inventory and provide a copy of this inventory to the District office. Copies of all District inventories shall be kept at the District office.

Legal Reference:
- **EDUCATION CODE**
  35168 Inventory of equipment
- **CODE OF REGULATIONS, TITLE 5**
  3946 Control, safeguards, disposal of equipment purchased with state and federal consolidated application funds
  16023 Class I - Permanent records
  16035 Historical inventory of equipment
- **UNITED STATES CODE, TITLE 20**
  2301-2471 Carl D. Perkins Vocational Education Act
- **CODE OF FEDERAL REGULATIONS, TITLE 34**
  80.1-80.52 Uniform administration requirements for grants to state and local governments

Management Resources:
- **OFFICE OF MANAGEMENT AND BUDGET**
  Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, May 17, 1995
PETTY CASH FUNDS

The purpose of a petty cash fund is to have cash available in the office of the Superintendent/Principal or other administrative officer for express charges, postage due and other unforeseen small expenses which cannot conveniently be charged and handled in the usual manner.

1. The amount of cash funds at the school site shall not exceed $50.

2. The Superintendent/Principal or administrative official in whose name the fund is created will be responsible for all expenditures made from it.

3. Each disbursement will be supported by a cash register tape, a sales slip or other evidence of the expenditure. Such evidence will be summarized monthly, or earlier if the fund needs replenishment.

4. The documents and the summary will be forwarded to the business office where a check will be issued to replenish the fund.

5. The amount on deposit plus receipts of disbursement must always equal the original amount of the fund.

6. Funds will be regularly audited by the business office.

7. Funds are subject to audit by the District's auditor.

8. Money left overnight in school shall be kept in a safe or secured place.

(cf. 3314.2 - Revolving Funds)
(cf. 3400 - Management of District Assets/Accounts)

Legal Reference:

EDUCATION CODE
35160 Authority of governing boards
35250 Duty to keep certain records
41020 Requirement for annual audit
42800-42810 Revolving funds

Regulation approved: May 10, 2000
LUCERNE ELEMENTARY SCHOOL DISTRICT

Lucerne, California
STUDENT ACTIVITY FUNDS

Student organizations may raise and spend money in order to promote the general welfare, morale and educational experiences of the students. Student funds shall finance worthwhile activities which go beyond those provided by the District. Minutes shall be kept of student organization meetings and shall properly reflect all financial activities.

(cf. 1321 - Solicitation of Funds from and by Students)
(cf. 3554 - Other Food Sales)

Student funds shall be managed in accordance with sound business procedures designed to encourage the largest possible educational return to students without sacrificing the safety of funds or exposing students to undue responsibility or unnecessary routine.

With Board of Trustees approval, student funds shall be held or invested in one of the following ways:

1. Deposited or invested in a federally insured bank or savings and loan; or in a state or federally insured credit union. (Education Code 48933)
2. Invested in U.S. savings bonds or obligations. (Education Code 48933)
3. Loaned to other District student organizations or invested in District property improvements pursuant to Education Code 48936.

Student funds shall be disbursed according to procedures established by the student organization. All disbursements must be approved by a Board-designated official, the certificated employee who is the student organization advisor and a student organization representative. (Education Code 48933)

The Superintendent/Principal or designee shall be responsible for the proper conduct of all student organization financial activities. The Superintendent/Principal or designee shall periodically review the organizations' general financial structures and accounting procedures.

The Board shall provide an annual audit of student accounts by a certified public accountant or licensed public accountant. Auditing cost shall be paid from District funds. (Education Code 41020)

(cf. 3400 - Management of District Assets/Accounts)

Legal Reference:

EDUCATION CODE
41020 Requirement for annual audit
48930-48938 Student body organization

Policy
adopted: May 10, 2000

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
FINANCIAL REPORTS AND ACCOUNTABILITY

The Board of Trustees is committed to ensuring accountability to the public for the fiscal health of the District. The Board shall adopt sound fiscal policies and oversee the District's financial condition. The Superintendent/Principal or designee shall regularly keep the Board informed about the District's finances and shall submit timely reports so that the Board can take appropriate action to ensure the District's financial stability. The Superintendent/Principal or designee may recommend amendments to the District's budgeted revenues and expenditures as may be necessary to maintain a balanced budget.

(cf. 3020 - Fiscal Policy Team)
(cf. 3100 - Budget)
(cf. 3300 - Expenditures/Expending Authority)
(cf. 3430 - Investing)
(cf. 9000 - Role of the Board)

Legal Reference:

EDUCATION CODE
17150 Public disclosure of non-voter-approved debt
33127 Standards and criteria for local budgets and expenditures
33128 Standards and criteria; inclusions
33129 Standards and criteria; use by local agencies
35035 Powers and duties of superintendent
41010 Accounting system
41020 Requirement for annual audit by county superintendent of schools
41450 Assistance and guidance to local offices of education
41455 Examination of financial problems of local Districts
42100 Requirement to prepare and file annual statement
42127.6 School District operations monitoring; financial obligation nonpayment
42130-42134 Financial reports and certifications
42140-42142 Public disclosure of fiscal obligations
42647 Drawing of warrants by District on county treasurer; form of warrant; application and approval

GOVERNMENT CODE
3540.2 School District; qualified or negative certification; proposed agreement review and comment
16429.1 Local agency investment fund
53646 Reports of investment policy and compliance

CODE OF REGULATIONS, TITLE 5
15453-15466 Criteria and Standards for School District Interim Reports
15480-15493 Criteria and Standards for County Office of Education Reports

Policy adopted: May 10, 2000
Interim Reports

The Superintendent/Principal or designee shall submit two interim fiscal reports to the Board of Trustees, the first report covering the District’s financial and budgetary status for the period ending October 31 and the second report covering the period ending January 31. The reports and supporting data shall also be made available by the District for public review. (Education Code 35035, 42130)

(cf. 1340 - Access to District Records)

Within 45 days after the close of the period reported, the Board shall assess these reports of the District's financial condition on the basis of criteria adopted by the State Board of Education and on current information regarding the adopted state budget, District property tax revenues if any, and ending balances for the preceding year. The Board shall approve the fiscal reports and send the County Superintendent of Schools these reports and its certification of the District's financial status based on current projections, in accordance with the following: (Education Code 42131)

1. A “positive certification” will indicate that the District will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

2. A “qualified certification” will indicate that the District may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

3. A “negative certification” will indicate that the District will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year.

Qualified or negative certifications shall also be sent to the Superintendent of Public Instruction and State Controller, together with a copy of the fiscal report and a completed transmittal form provided by the Superintendent of Public Instruction. (Education Code 42131)

If the Board files a qualified or negative certification for the second report of the fiscal year, or if its second report is classified as qualified or negative by the County Superintendent of Schools, the Superintendent/Principal or designee shall provide to the County Superintendent of Schools, the Controller, and the Superintendent of Public Instruction, no later than June 1, a financial statement that reports data for the period ending April 30 and projects the District’s fund and cash balances as of June 30. (Education Code 42131)

Annual Financial Report

On a form prescribed by the Superintendent of Public Instruction, the Superintendent/Principal or designee shall prepare a statement of all receipts and expenditures of the District for the preceding fiscal year. On or before September 15, the
FINANCIAL REPORTS AND ACCOUNTABILITY (continued)

Board shall approve this statement and file it with the County Superintendent of Schools. (Education Code 42100)

Appropriations Limit Report

The Board shall adopt a resolution by September 30 of each year to identify the estimated appropriations limit for the District for the current fiscal year and the actual appropriations limit of the District during the preceding year. Documentation used to identify these limits shall be made available to the public on the day of the meeting. (Education Code 42132)

(cf. 1340 - Access to District Records)

Non-Voter-Approved Debt Report

Whenever the Board approves the issuance of certificates of participation or revenue bonds, the Superintendent/Principal or designee shall notify the County Superintendent of Schools and the county auditor. The Superintendent/Principal or designee shall provide the Board, the county auditor, the County Superintendent of Schools and the public with related repayment schedules and evidence of the District’s ability to repay the obligation. Within 15 days, the County Superintendent and county auditor may comment publicly to the Board regarding the District’s capability to repay the debt. (Education Code 17150)

Investment Reports

Within 30 days of the end of each quarter, the Superintendent/Principal or designee shall provide the Board with quarterly reports of District investments that are more than $25,000. This report shall include the following: (Government Code 53646)

1. The extent to which the portfolio complies and/or does not comply with the District’s investment policy

(cf. 3430 - Investing)

2. A statement denoting the District’s ability to meet its pool’s expenditure requirements for the next six months, or an explanation of why sufficient money shall or may not be available

3. The most recent statement(s) received from the state’s local agency investment fund, the National Credit Union Share Insurance Fund-insured accounts in a credit union or from FDIC-insured accounts in a bank or savings and loan association, in a county investment pool or in any combination of these
FINANCIAL REPORTS AND ACCOUNTABILITY  (continued)

4. The type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and monies held by the District other than those specified in item #3 above

5. A description of any District funds, investments or programs that are under the management of contracted parties, including lending programs

6. The current market value, and the source of this information, for all securities held by the District and under management of any outside party that is not another local agency or the state's local agency investment fund

In the above report, a subsidiary ledger of investments may be used in accordance with accepted accounting practices. (Government Code 53646)
The Board of Trustees recognizes the health hazards associated with tobacco products, including the breathing of second-hand smoke, and desires to provide a healthy environment for students and staff. Employees are encouraged to serve as models for good health practices that are consistent with the District's instructional programs.

In accordance with state and federal law, smoking is prohibited in all District facilities and vehicles. (20 USC 6083; Labor Code 6404.5)

(prohibited products include any product containing tobacco or nicotine, including, but not limited to, cigarettes, cigars, miniature cigars, smokeless tobacco, snuff, chew, clove cigarettes, betel, and nicotine or non-nicotine delivery devices such as electronic cigarettes. Exceptions may be made for the use or possession of prescription nicotine products.

The Superintendent/Principal or designee shall inform students, parents/guardians, employees and the public about this policy and related procedures.)
TOBACCO-FREE SCHOOLS

Signs prohibiting the use of tobacco shall be prominently displayed at all entrances to school property.

The Superintendent/Principal or designee shall maintain a list of clinics and other resources which may assist individuals who wish to stop using tobacco products.

(cf. 4159/4259/4359 - Employee Assistance Programs)

Smoking or use of any tobacco-related products and disposal of any tobacco-related waste are prohibited within 25 feet of any playground, except on a public sidewalk located within 25 feet of the playground. (Health and Safety Code 104495)

Legal Reference:
EDUCATION CODE
48900 Grounds for suspension/expulsion
48901 Prohibition against tobacco use by students
HEALTH AND SAFETY CODE
39002 Control of air pollution from nonvehicular sources
104350-104495 Tobacco use prevention, especially:
104495 Prohibition of smoking and tobacco waste on playgrounds
119405 Unlawful to sell or furnish electronic cigarettes to minors
LABOR CODE
3300 Employer, definition
6304 Safe and healthful workplace
6404.5 Occupational safety and health; use of tobacco products
UNITED STATES CODE, TITLE 20
6083 Nonsmoking policy for children’s services
7100-7117 Safe and Drug Free Schools and Communities Act
CODE OF FEDERAL REGULATIONS, TITLE 21
1140.1-1140.34 Unlawful sale of cigarettes and smokeless tobacco to minors
PERB RULINGS
Eureka Teachers Assn. v. Eureka City School District (1992) PERB Order #955 (16 PERC 23168)
CSEA #506 and Associated Teachers of Metropolitan Riverside v. Riverside Unified School District (1989)
PERB Order #750 (13 PERC 20147)
Management Resources:
WEB SITES
California Department of Education, Alcohol, Tobacco and Other Drug Prevention: http://www.cde.ca.gov/ls/he/at
California Department of Public Health, Tobacco Control: http://www.cdph.ca.gov/programs/tobacco
Occupational Safety and Health Standards Board: http://www.dir.ca.gov/OSHSB/oshsb.html
U.S. Environmental Protection Agency: http://www.epa.gov

Policy
approved: May 10, 2000
revised: September 11, 2013

LUCERNE ELEMENTARY SCHOOL DISTRICT
Lucerne, California
Employee Notifications

Information about the district's tobacco-free schools policy and enforcement procedures shall be communicated clearly to employees, parents/guardians, students, and the community. (Health and Safety Code 104420)

The Superintendent/Principal or designee shall notify employees of the District's tobacco-free schools policy. The Superintendent or designee may disseminate this information through annual written notifications, district and school web sites, student and parent handbooks, and/or other appropriate methods of communication.

(cf. 1113 - District and School Web Sites)

The notification shall also inform them of:

1. Their need to abide by District policy as a condition of employment.
2. The dangers of tobacco use in the workplace, including its threat to the health and safety of employees, students and the public.
3. Available resources which may help employees stop using tobacco.
4. Possible disciplinary actions in accordance with Board policy, state law and applicable collective bargaining agreements.

Signs stating "Tobacco use is prohibited" shall be prominently displayed at all entrances to school property. (Health and Safety Code 104420)

Enforcement/Discipline

Any employee or student who violates the district's tobacco-free schools policy shall be asked to refrain from smoking and shall be subject to disciplinary action as appropriate.

(cf. 4118 - Suspension/Disciplinary Action)
(cf. 4218 - Dismissal/Suspension/Disciplinary Action)
(cf. 5144 - Discipline)
(cf. 5144.1 - Suspension and Expulsion/Due Process)

Enforcement Procedures for Visitors

A visitor who smokes on District property shall be informed of the District's tobacco-free schools policy and asked to refrain from smoking. If the person fails to comply with this request, the following actions may ensue:
TOBACCO-FREE SCHOOLS

1. The matter may be referred to the Superintendent/Principal or designee responsible for the area or the event.

2. The Superintendent/Principal or designee may direct the person to leave school property.

3. If necessary, the Superintendent/Principal or designee may request local law enforcement assistance in removing the person from school premises.

4. If the person repeatedly violates the tobacco-free schools policy, the Superintendent/Principal or designee may prohibit him/her from entering District property for a specified period of time.

(cf. 1250 - Visitors/Outsiders)
(cf. 3515.2 - Disruptions)

The Superintendent or designee shall not be required to physically eject a nonemployee who is smoking or to request that the nonemployee refrain from smoking under circumstances involving a risk of physical harm to the district or any employee. (Labor Code 6404.5)