WORK RULES AND STAFF CORRECTIVE DISCIPLINE

As we educate and empower every student, in every community, every day to build a stronger Detroit, the Board of Education recognizes that a focus on maintaining high standards for staff conduct is critical to our success. This policy has been established to provide progressive disciplinary guidelines to be utilized when employees deviate from expected Detroit Public Schools Community District (DPSCD) standards, or fail to adhere to work rules, policies, administrative guidelines and procedures. The Department of Human Resources and Talent (Human Resources) will respond specifically to actions or activities of employees requiring disciplinary intervention.

DPSCD Work Rules

The following work rules are published for informational purposes and to minimize the likelihood of any employee, through misunderstanding or otherwise, becoming subject to any disciplinary action. Violation of these rules cannot be ignored by management. In the event an employee is found to have violated these rules, he/she will be subject to immediate discipline, including suspension, discharge, and criminal prosecution where warranted.

This list is not all-inclusive. Employees may be disciplined or discharged for other inappropriate conduct as determined by the District.

1. All employees are expected to report for duty every working day. Excessive tardiness or absenteeism will not be condoned.

2. Each employee must notify his/her administrator in charge of intended absence within the time limitations specified.

3. Each employee must observe working hour schedules (starting time, end time, lunch hour, and preparation periods).

4. No employee may solicit or collect contributions for any purpose on Board property without written management permission.
5. Employees must not sell or offer for sale any article or service without written management permission.

6. Employees must be diligent in their duties during assigned working hours. Loafing or other abuse of compensable time during scheduled work hours will not be tolerated.

7. Employees must not interfere with any other employee's performance of duties.

8. Employees may not perform unauthorized personal work during assigned working hours.

9. Employees must not commit an act which might endanger the safety or lives of others.

10. Employees must perform all work properly assigned by an administrator in charge.

11. Employees may not falsify school records, reports or payrolls.

12. Employees must not abuse, destroy, damage, or deface Board property, tools, equipment, or the property of others on Board premises.

13. Employees must not fight on Board property.

14. Employees are prohibited from carrying liquor or illegal substances on Board property or consuming liquor or using illegal substances on Board property, or reporting for duty under the influence of liquor or illegal substances.

15. Employees are prohibited from carrying firearms or other weapons on Board property.
policy

BOARD OF EDUCATION
DETOUR PUBLIC SCHOOLS COMMUNITY DISTRICT

16. Employees must not disclose confidential information to unauthorized persons.

17. Employees must not convert Board of Education, other employees', students', or vendors' property for their own use.

18. Employees must adhere to the District's Staff Dress and Grooming policy. See Policy 3216.

19. Employees are prohibited from fraternizing with students. This includes but is not limited to any inappropriate activities, touching, excessive conversation, romantic or sexual relationships or other non-job related personal contact with students.

Staff Corrective Discipline

Human Resources possesses the primary responsibility for managing and interpreting the District's corrective discipline process. This responsibility includes providing direct assistance to principals and supervisory administrators with respect to applying and interpreting the work rules and implementing disciplinary procedures. Accordingly, pursuant to this policy, Human Resources will conduct disciplinary hearings and make recommendations for disciplinary action. Human Resources will provide guidance and training to administrators on the corrective discipline process. The set of corrective disciplinary guidelines and procedures outlines due process in dealing with unacceptable employee behavior.

Progressive discipline is designed to correct unacceptable employee conduct through a series of progressively more serious penalties. Depending on the circumstances, progressive discipline provides the employee with an opportunity to correct his/her behavior before discharge. Progressive disciplinary steps include, but are not limited to the following:
1. Warning;

2. Written Reprimand;

3. Suspension with or without pay; and

4. Demotion or Discharge.

Progressive discipline may be issued at an appropriate level based on the circumstances surrounding the infraction, the nature and severity of the offense, the employee's past record and previous history of discipline. Progressive discipline requires that any penalty imposed must correspond to the severity of the misconduct. It should be noted that several disciplinary steps may be skipped if the misconduct of the employee is so serious that a more severe penalty is appropriate. Consequently, under certain circumstances discharge may be warranted on the first offense. The District reserves the right to determine whether infractions committed warrant suspension or discharge.

Investigation & Due Process

Generally, prior to application of discipline, an investigation of the situation should be conducted. However, an employee may be subject to immediate suspension, depending upon the nature of the offense, pending an investigation. An investigation may include questioning available witnesses, obtaining statements, reviewing applicable records, and interviewing the employee who is subject to disciplinary action.

A fair and objective investigation should be conducted, and the degree of discipline administered should be reasonably related to the seriousness of the employee's proven offense and the prior disciplinary record of the employee.
The District shall abide by due process as required by law or as such term is set forth in a collective bargaining agreement, the Teacher Tenure Act or the individual contract, as applicable.

If any provision of these policies conflict with an express provision(s) of an applicable collective bargaining agreement, the latter shall supersede this policy to the extent necessary to comply with contractual obligations.

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SELECTING STUDENT TEACHERS/ADMINISTRATIVE INTERNS

The Board of Education encourages cooperation with State-approved colleges, universities, and trade schools in the training of student teachers (individually and collectively, teacher apprentices, teacher interns and pre-student teachers) and administrative interns, because the public school offers an essential ingredient - direct experience with students and teachers at work in the classroom, but certain safeguards have been found to be necessary for the best interests of all concerned.

Colleges and universities should first make contact with the Superintendent or his/her designee regarding placement of a student teacher or administrative intern.

The Superintendent or his or her designee shall make the final placement of student teachers or administrative interns. Professional staff members who agree to serve as supervisors of student teachers or administrative interns must meet District and college/university requirements and may accept honoraria or stipends directly from the college/university for those services rendered outside the regular school day and above and beyond the duties and responsibilities specified in their contracts.

The Board also authorizes the Superintendent or his/her designee(s) to provide, in cooperation with appropriate colleges and universities, a "field experience" program in order for selected interns to gain first-hand knowledge of and experience in a school environment.

The Superintendent may terminate a student teaching program if one (1) or more aspects of the program are not of high quality or meeting District needs or expectations. A student teacher/administrative intern may be terminated pursuant to District work rules or the terms of an applicable memorandum of understanding or agreement between the District and the college/university.

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EMPLOYMENT OF PERSONNEL FOR CO-CURRICULAR/EXTRA-CURRICULAR ACTIVITIES

The District may find it necessary to employ, on a part-time basis, coaches or activity sponsors. Such part-time employees may be members of the District's support staff or individuals from the community who are able to sustain positive and consistent relationships with students beyond athletics and activities.

The Board authorizes the Superintendent or his/her designee to act for the Board in employing such part-time staff.

The Superintendent shall establish administrative guidelines to ensure that each person employed as a coach or activity sponsor has the appropriate qualifications, has been properly interviewed, and signs an employment contract that includes the conditions of employment, compensation arrangements, and contract termination procedures. Expectations of coaches and activity sponsors, full or part-time, are the same for those hired outside of the District as those internally.

Appropriate qualifications shall, at a minimum, include any requirements established by the State, and may also include any program specific training or certification as determined by the Superintendent or his/her designee, such as cardio-pulmonary resuscitation and/or first aid.

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The Board of Education believes that quality education requires a drug-free workplace. It will seek, therefore, to establish and maintain an educational setting which meets the requirements in the Drug-Free Workplace Act and the Drug-Free Schools and Communities Act.

The Board prohibits the manufacture, possession, use, distribution, or dispensing of any controlled substance, including alcohol, by any member of the District’s staff at any time while on District property or while involved in any District-related activity or event. Any staff member who violates this policy shall be subject to disciplinary action in accordance with District guidelines and the terms of any collective bargaining agreements.

To this end, the Board reserves the right to require certain employees to submit to alcohol and controlled substance testing.

The Superintendent shall establish administrative guidelines for the alcohol and controlled substances testing program in accordance with applicable Federal and state laws, District policies and/or terms of currently-valid negotiated, collectively bargaining agreements.

The Superintendent shall establish whatever programs and procedures are necessary to meet the Federal certification requirements, but which also comply or do not interfere with any collective bargaining agreements.

The Board shall not permit the manufacture, possession, use, distribution, or dispensing of any controlled substance, alcohol, and any drug paraphernalia, by any member of the District’s staff at any time while on District property or while involved in any District-related activity or event. Any staff member who violates this policy shall be subject to disciplinary action in accordance with District guidelines and the terms of collective bargaining agreements.

The Superintendent shall establish guidelines and procedures that ensure compliance with this policy and that each staff member is given a copy of the standards regarding unlawful possession, use, or distribution of illicit drugs and alcohol by staff and informed that compliance with this requirement is mandatory.
Such guidelines shall provide for appropriate disciplinary actions, if and when needed, which comply with the terms of any negotiated agreement.

P.L. 101-126
20 U.S.C. 3224A

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The Board of Education prohibits discrimination on the basis of genetic information in all aspects of employment, including hiring, firing, compensation, job assignments, promotions, layoffs, training, fringe benefits, or any other terms, conditions, or privileges of employment. The Board also does not limit, segregate, or classify employees in any way that would deprive or tend to deprive them of employment opportunities or otherwise adversely affect the status of an employee as an employee, based on genetic information. Harassment of a person because of his/her genetic information is also prohibited. Likewise, retaliation against an applicant or employee for engaging in protected activity is prohibited.

In accordance with the Genetic Information Nondiscrimination Act (GINA), the Board shall not request, require or purchase genetic information of employees, their family members or applicants for employment. Further, in compliance with this Act, employees are directed not to provide any genetic information, including the individual's family medical history, in response to necessary requests for medical information, with the exception that family medical history may be acquired as part of the certification process for FMLA leave, when an employee is asking for leave to care for an immediate family member with a serious health condition. Applicants for employment are directed not to provide any genetic information, including the individual's family medical history, in response to requests for medical information as part of the District’s application process.

"Genetic information," as defined by GINA, means information about: (a) an individual’s genetic tests; (b) the genetic tests of that individual’s family members; (c) the manifestation of disease or disorder in family members of the individual (i.e., family medical history); (d) an individual’s request for, or receipt of, genetic services, or the participation in clinical research that includes genetic services by the individual or a family member of the individual; or (e) the genetic information of a fetus carried by an individual or a pregnant woman who is a family member of the individual and the genetic information of an embryo legally held by an individual or family member using assistive reproductive technology.

If the District either legally and/or inadvertently receives genetic information about an employee or applicant for employment from the employee, applicant for employment or a medical provider it shall be treated as a confidential medical record.
policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

in accordance with law. The District is prohibited from directing its employees to search commercially and publicly available documents with the intent of finding or obtaining genetic information, or accessing sources from which they are likely to acquire genetic information.

The Superintendent shall appoint a compliance officer who shall be responsible for overseeing the District’s compliance with Federal regulations and promptly dealing with any inquiries or complaints. S/he shall also verify that proper notice of nondiscrimination for Title II of the Genetic Information Nondiscrimination Act of 2008 is provided to staff members, and that all District requests for health-related information (e.g., to support an employee’s request for reasonable accommodation under the ADA or a request for sick leave) is accompanied by a written warning that directs the employee or health care provider not to collect or provide genetic information. The warning shall read as follows:

The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers and other entities covered by GINA Title II, including the Board of Education, from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by law. To comply with this law, do not provide any genetic information when responding to this request for medical information (unless the request pertains to a request for FMLA leave for purposes of caring for an immediate family member with a serious health condition). "Genetic information," as defined by GINA, includes an individual’s family medical history, the results of an individual’s or family member’s genetic test, the fact that an individual or an individual’s family member sought or received genetic services or participated in clinical research that includes genetic services, and genetic information of a fetus carried by an individual or an individual’s family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.
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BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

29 C.F.R. Part 1635
42 U.S.C. 2000ff et seq., The Genetic Information Nondiscrimination Act

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The Board of Education believes that the appropriate placement of qualified and competent professional and support staff is essential to the successful functioning of the District.

The Superintendent and his/her designees shall be responsible for the proper assignment and unbiased transfer of all professional and support staff members and shall attempt to effect the optimum assignment of the professional and support staff in conformance with any applicable contractual or legal requirements, State certification requirements, and Federal requirements. He/she shall establish an audit procedure to ensure that each instructional staff member's teaching certificate is currently in compliance with appropriate State certification criteria and has not been nullified.
STAFF DISCIPLINE

Whenever it becomes necessary to discipline a member of the staff, the Superintendent or his/her designee(s) shall utilize related procedures described in the current negotiated agreement, to the extent not inconsistent with the current negotiated agreement, the following principles and procedures.

A staff member may only be discharged, demoted or otherwise disciplined for a reason that is not arbitrary or capricious. In all instances, discipline, discharge and demotion shall occur in accordance with the statutory requirements under the Teacher Tenure Act (if applicable), the Revised School Code or other applicable statutes.

The administrator/Superintendent shall conduct an investigation of any alleged act or omission by a staff member that could result in disciplinary action. The staff member shall be provided with oral or written notice of the issue or incident being investigated.

The investigation shall include, at a minimum, interviews of appropriate persons and a meeting with the subject staff member and, if requested or if required by the bargaining agreement, his/her designated representative (either another employee or a union representative if part of a bargaining unit) to allow the staff member an opportunity to respond to the complaint. Prior notice of this meeting shall be provided to the staff member for any discipline that may result in a suspension or loss of pay. The meeting shall not proceed without the staff member’s designated representative (if applicable); however, the meeting shall not be unduly delayed to secure the attendance of the staff member’s preferred representative. The District may substitute another representative from the union to timely process the investigation.

After completion of the investigation, if discipline is to be imposed, the staff member shall receive written notice of the discipline and this notice shall also be placed in the staff member’s file. Discipline may include, but is not limited to:

A. written warning;

B. written reprimand;
C. suspension (paid or unpaid);

D. Discharge; and or

E. financial penalty in accordance with Michigan law.

The District does not have to apply discipline in a progressive manner, but, rather, may impose discipline consistent with the seriousness of a staff member’s conduct, as determined by the District. Additionally, nothing in this policy limits the District’s right to take other appropriate action, such as placing a staff member on administrative leave during the pendency of an investigation or issuing a counseling memorandum, which is considered instructional, not disciplinary.

If it appears that disciplinary action beyond written reprimand may be necessary, the administrator should contact the Superintendent or his/her designee(s) to discuss the disciplinary action that is to be taken.

Any disciplinary action that is not subject to Board review as described below may be submitted to the Superintendent for review within five (5) work days of the staff member’s receipt of the written confirmation. The Superintendent or his/her designee(s) is/are not required to conduct an independent investigation. He/she shall meet with the administrator who issued the discipline and with the staff member and his/her designated representative, if requested. The Superintendent or his/her designee(s) may affirm, revise or reject any disciplinary action taken against a staff member and his/her decision is final. The administrator’s decision to impose any disciplinary action that is not subject to Board review, as described below, is final.

The following disciplinary actions may only be imposed by the Board in adherence with the requirements of the Teacher Tenure Act:

A. discharge of a tenured or probationary teacher;

B. demotion of a tenured teacher (which includes suspension for fifteen (15) or more consecutive days without pay or a reduction in compensation by more than equivalent of thirty (30) days compensation in one (1) school year); and

C. non-renewal of a probationary teacher.
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BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

M.C.L. 38.101 et seq., 38.74, 380.1230d, 380.1535a

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SUBSTANCE ABUSE

The Board of Education recognizes alcoholism and substance abuse as treatable illnesses. When such illnesses impair the performance of professional and support staff members, the Board recognizes the responsibility to assist in a manner recommended by appropriate specialists in the treatment of those illnesses.

A professional or support staff member having an illness or other problem relating to the use of alcohol or other substances will receive the same careful consideration and offer of assistance that is presently extended to professional or support staff members having any other illness.

The responsibility to correct unsatisfactory job performance or behavior resulting from a suspected health problem rests with the professional or support staff member. Failure to do so will result in appropriate corrective or disciplinary action as determined by the Board.

No professional or support staff member will have his/her job security or promotion opportunities jeopardized by his/her request for counseling or referral assistance.

Staff members may not avoid consequences of positive drug or alcohol testing after being instructed to submit to a drug or alcohol test.

Professional or support staff members who suspect they may have an alcohol or other drug abuse problem are encouraged to seek counseling and information on a confidential basis by contacting resources available for such service.
To avoid the appearance of impropriety, the Board of Education discourages the giving and receipt of gifts between professional and support staff and students.

Based on the foregoing, it is the policy of the Board that:

A. staff members may accept gifts of nominal value, for example, a mug, piece of fruit or baked item; and

B. staff members shall consult with their building administrator regarding the appropriateness of providing gifts to students. Factors to consider include, but are not limited to: (i) student need; (ii) cost of gift; (iii) nature of gift; and (iv) relationship of gift to educational program or District activity. It is suggested that if a staff member wishes to give a gift, he/she may do so as a gift to the classroom, for example, library books or other educational resources for the class.

C. Items may not be cash or cash equivalents.

The Superintendent may approve acts of generosity to individual staff members in unusual situations.

Upon the recommendation of the Superintendent, the Board shall consider, as appropriate, the presentation of token gifts to retiring members of the staff who have rendered service for a period of time.
USE OF TOBACCO BY PROFESSIONAL STAFF

The Board of Education desires to protect students and employees who choose not to use tobacco from exposure to the use of tobacco products. Pursuant to state law, the Board prohibits the use of tobacco products on District premises, in District vehicles, and in all school buildings owned and/or operated by the District.

For purposes of this policy:

A. "tobacco product" means a preparation of tobacco to be inhaled, chewed, or placed in a person’s mouth

B. "use of a tobacco product" means any of the following:

1. the carrying by a person of a lighted cigar, cigarette, pipe, or other lighted smoking device;

2. the inhaling or chewing of a tobacco product;

3. the placing of a tobacco product within a person's mouth; and

4. the use or smoking of electronic, “vapor,” or other substitute forms of cigarettes, clove cigarettes or other lighted smoking devices for burning tobacco or any other substance.

M.C.L. 333.12601 et seq.
M.C.L. 750.473
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BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

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It is the policy of the Board of Education that professional staff members avoid situations in which their personal interests, activities, and associations may conflict with the interests of the District. If such situations occur, the Superintendent shall evaluate the impact of such activity or association upon the professional staff member’s responsibilities and take appropriate action as necessary.

A. Staff members should not give work time to an outside interest, activity, or association without valid reason to be excused from assigned duties.

B. Staff members shall not use school property or school time to solicit or accept customers for private enterprises without written administrative permission.

C. Staff members shall not engage in business transactions on behalf of personal or private enterprise in which s/he may profit by virtue of his/her official position or authority or benefit financially from confidential information which the employee has obtained or may obtain by reason of his/her position or authority.

D. Staff members shall not campaign on school property during duty hours on behalf of any political issue or candidate for local, State, or National office.

E. Staff members may not accept fees for tutoring when such tutoring is conducted during the normal work day or on District property.
Research and Publishing

A. Professional staff members are encouraged to contribute articles to professional publications and to engage in approved professional research.

C. Publications and productions shall be subject to the following copyright provisions:

1. Rights to copyrights or patents of books, materials, devices, etc. developed by professional staff members, as part of their duties, on their own time will be relinquished by the Board upon request of the staff member provided that:

   a. the books, materials, devices, etc. were prepared without the use of District data, facilities, and/or equipment;
   
   b. the District is granted the privilege of purchasing the materials or products free of any copyright or royalty charges; and
   
   c. the staff member does not become involved in any way in the selling of the product to the District.

Absent express written agreements which expressly assign copyright ownership, the final decision regarding whether materials were produced independently of any work assignment, and/or without using school equipment, facilities, data, or equipment rests with the Superintendent and his/her designees.

   a. who shall submit such decisions to the Board.
2. All books, materials, devices, or products which result from the paid work time and/or prescribed duties of professional staff members shall remain the property of the District. The District shall retain all rights and privileges pertaining to the ownership thereof.

In the event that any of these products have commercial possibilities, the Superintendent and his/her designees are authorized to secure copyrights, patents, etc. which will ensure the ownership of the product by the District.

The Superintendent and his/her designees are authorized to negotiate with appropriate agencies for the production and distribution of products with commercial appeal. Such negotiations shall ensure fair and appropriate compensation, including sharing of royalties, for the staff member(s) who developed the products.

M.C.L. 15.321 et seq., 15.401 et seq., 380.1805 (1)
policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

PROFESSIONAL STAFF
3231/page 4 of 4
The Board acknowledges the right of professional and support staff members, as citizens in a democratic society, to speak out on issues of public concern.

The following guidelines are adopted by the Board to help clarify and, therefore, avoid situations in which the professional and support staff member's expression could conflict with the District's interests. In such situations, he/she should:

A. state clearly that his/her expression represents personal views and not necessarily those of the School District where appropriate;

B. not make threats, use obscenities or use abusive language towards co-workers, administrators, or officials of the District;

C. refrain from making public expressions which he/she knows to be false or are made without regard for truth or accuracy;

D. not make defamatory comments about co-workers, administrators, or the district as a whole;

E. refrain from making public expressions that incite imminent lawless action; and

F. commit slander or libel against the District or its board members, officers, administrators, employees, agents or contractors.

U.S. Const. amend. 1

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PRIVACY PROTECTIONS OF FULLY INSURED GROUP HEALTH PLANS

The Board of Education provides health benefits coverage to eligible employees under fully insured group health plans. The Board has established the following fully insured group health plans:

A. Medical Plan;
B. Prescription Drug Plan;
C. Dental Plan; and
D. Vision Plan.

The Board acknowledges that these group health plans are required to comply with the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule as amended by Title I of the Genetic Information Nondiscrimination Act (GINA). Fully insured group health plans generally are exempt from many of the requirements imposed upon self-funded group health plans.

The Board also acknowledges that fully insured group health plans are required to comply with the HIPAA Security Rule. The group health plans, working together with the insurer, will ensure the confidentiality, integrity, and availability of the group health plans’ electronic Protected Health Information in accordance with the HIPAA Security Rule.
The Board hereby appoints the Superintendent or his/her designee to serve as the Security Official of the group health plans. All of the group health plans’ functions are carried out by the insurer and the insurer owns and controls all of the equipment and media used to create, maintain, receive, and transmit electronic Protected Health Information relating to the group health plans. Accordingly, the insurer is in the best position to implement the technical, physical, and administrative safeguards required by the HIPAA Security Rule.

The Security Official does not have the ability to assess or adjust the insurer’s policies related to the HIPAA Security Rule. Accordingly, unless otherwise determined by the Security Official, the group health plans shall utilize as administrative guidelines the insurer’s own policies addressing security measures for the group health plans’ electronic Protected Health Information.

The fully insured group health plans established by the Board shall:

A. Refrain from taking any retaliatory action against any individual for exercising any right under the plan, filing a complaint with Health and Human Services, participating in any proceeding under Part C of Title XI of the Social Security Act, or opposing any act or practice made unlawful by the Privacy Rule provided that the individual has a good faith belief that the practice opposed is unlawful.

B. Not impose a requirement that participants waive their rights under the Privacy Rule as a condition of the provision of payment, enrollment in a health plan, or eligibility of benefits.

C. If the plan document is amended in accordance with the Privacy Rule, the plan must retain a copy of the plan document as amended for six (6) years from the date of its amendment or the date when it last was in effect, whichever is later.

D. Provide notification to affected individuals, the Secretary of the U.S. Department of Health and Human Services, and the media (when required), if the plan or one of its business associates discovers a breach of unsecured protected health information, in accordance with the requirements of HIPAA and its implementing regulations.
Fully insured group health plans established by the Board shall not create or receive
protected health information, except for:

A. Summary health information. Summary health information is
de-identified information that summarizes claims history, claims
expenses, or type of claims experienced by health plan participants.

B. Information on whether an individual is participating in a group
health plan, or is enrolled in or has disenrolled from a health
insurance issuer or HMO offered by the plan.

C. Information disclosed to the plan under a signed authorization that
meets the requirements of the Privacy Rule.

42 U.S.C. 1320d-5 et seq.
45 C.F.R. 160.102(a)
45 C.F.R. 164.308, 164.308(a)(2)
45 C.F.R. 164.530, 164.530(a), 164.530(i)

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The Board of Education acknowledges that the Patient Protection and Affordable Care Act ("ACA") imposes certain obligations upon the District. Such obligations may include the following:

A. The District shall notify new employees of health insurance options available through the Health Insurance Marketplace within fourteen (14) days of an employee’s employment start date. Sample form notices are available from the U.S. Department of Labor at:

http://www.dol.gov/ebsa/healthreform/regulations/coverageoptionsnotice.html

B. Employees of the District have the option to enroll in the Health Insurance Marketplace. If a full-time employee (as defined by the ACA) of the District enrolls in the Health Insurance Marketplace and receives a subsidy, then the District may be liable for a penalty.

In event that the District concludes that it is fiscally-wise to incur the potential penalty in lieu of providing affordable, minimum value coverage to all full-time employees, the District shall incur the potential penalty.

29 U.S.C. 218B
26 U.S.C. 4980H

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DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

24
25 Revised & Adopted: 00/00/00
26 Reviewed: 00/00/00
27 Revised & Adopted: 00/00/00
JOB-RELATED EXPENSES

The Board of Education may provide for the payment of the actual and necessary expenses, including traveling expenses, of any professional staff member of the District incurred in the course of performing services for the District, whether within or outside the District, under the direction of the Board and in accordance with the Superintendent’s administrative guidelines.

The validity of payments for job-related expenses shall be determined by the Superintendent or his/her designee(s).

The District shall pay the expenses of professional staff members when they attend professional meetings approved in accordance with the policy of this Board and in accordance with the administrative guidelines of the Superintendent. Job-related expenses for out-of-state travel require prior approval.

Whenever a staff member is unable to provide appropriate expense documentation, he/she may not be reimbursed for any incurred expenses.
policy
The Board of Education shall be responsible for exercising the functions and responsibilities of School District of City of Detroit, commonly referred to as Detroit Public Schools, in accordance with the Revised School Code until its dissolution, including, but not limited to, all of the following:

A. Certifying and levying taxes in the name of Detroit Public Schools for satisfaction of its debt.

B. Exercising other duties and responsibilities relative to the repayment of outstanding debt of Detroit Public Schools required by law and by the terms of the debt, including, but not limited to, filing draw requests and borrowing from the revolving loan fund for debt service on qualified bonds under the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939, levying or seeking voter approval for a renewal of a school operating tax under Section 1211 of the Revised School Code, seeking debt loss reimbursement from the State of Michigan, or refunding or refinancing debt.

C. Exercising other duties and responsibilities relative to the dissolution of Detroit Public Schools.

Where necessary and as appropriate, the Board and Detroit Public Schools Community District shall utilize the policies of the Detroit Public Schools Community District in exercising the functions and carrying out the duties and responsibilities of the Detroit Public Schools.

Detroit Public Schools Community District employees are authorized to carry out the functions necessary to comply with this policy and such actions as may be required by the Revised School Code.

Public Act 192 of 2016, MCL 380.12b
MCL 380.1613
GRANT FUNDS

It is the objective of the Board of Education to provide equal educational opportunities for all students within the District. Government agencies, as well as foundations, businesses, and individuals, periodically offer both human and material resources to the District that would benefit students and the educational program. Therefore, the Board shall consider grant proposals and applications for their potential to enhance educational opportunities, the educational environment, and the physical and mental growth for each student. As a recipient of Federal funds, the District shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The Board regards available Federal funds of aid to local school districts and communities as a public trust. Accordingly, Federal monies shall not be used for political activities and for any use that would not be in accordance with federal regulations and guidelines.

The Superintendent and his/her designee shall review new Federal education legislation and shall authorize the preparation of proposals for programs he/she deems would be of aid to the students of this District and which satisfy the terms of this policy.

Grant Proposal Development

A. All grant proposals must support at least one (1) District priority within the District strategic plan.

B. For projects where grant funds will not cover the entire cost of project implementation, additional fund sources must be identified, documented, and approved by the Superintendent or his/her designee during the budget development or amendment process.

The Superintendent or his/her designee will inform the board of submitted grant applications that exceed $500,000 as part of the regular budget amendment process.
policy

BOARD OF EDUCATION
DETOUR PUBLIC SCHOOLS COMMUNITY DISTRICT

The Board shall approve the spending of all grants through the budget adoption and amendment process.

Grant Administration

A. All grants will be administered with adherence to all applicable Federal, State, local, and grantor rules and regulations, including the terms and conditions of the Federal awards, as well as District policies and administrative guidelines.

B. The Superintendent is responsible for the efficient and effective administration of grant awards through the application of sound management practices.

C. The Superintendent shall maintain a procurement and contract administration system in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for the administration and management of Federal grants and federally-funded programs.

D. The Superintendent is responsible for administering grant funds in a manner consistent with underlying agreements, applicable statutes, regulations, and objectives, and the terms and conditions of the grant award.

E. The District shall employ internal controls, including the organizational and management strategies necessary to assure proper and efficient administration of grant awards.

F. All Federal and State funds received by the District shall be used in accordance with applicable Federal and State law and regulations, as well as the terms and conditions of the Federal or state award. The Superintendent shall require that each draw of Federal monies be aligned with the District's payment process (whether reimbursement, cash advance or a combination). If funds are permitted to be drawn in advance, all draws will be as close as administratively feasible to the related program expenditures and that, when restricted, such monies are used to supplement
programs and funding and not to supplant or replace existing programming or current funding.

G. The Superintendent is authorized to sign related documents for grant administration, including documents required for submittal of grant proposals.

H. Employee positions established through the use of grant funding shall terminate if and when the related grant funding ceases or funds are no longer available.

I. Program reports including but not limited to audit, site visits and final reports shall be submitted to the Superintendent for review and distribution to the Board and other appropriate parties.

Financial Management of Grant Funds

The financial management of grant funds shall be in compliance with all applicable Federal and State law, local and grantor rules, regulations, and assurances as well as District policies and administrative guidelines. The District must adequately safeguard all assets and assure that they are used solely for authorized purposes.

A. Identification, in District accounts, of all grant awards received and expended and the programs under which they were received. For Federal programs and awards, identification shall include the Catalog of Federal Domestic Assistance (CFDA) title and number, Federal award identification number and year, name of the Federal agency and name of the pass-through entity, as applicable.

B. Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements of the grant.

C. Records that adequately identify the source and application of funds provided for Federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
D. Effective control over, and accountability for, all funds, property, and other assets.

Further, the District must:

1. establish and maintain effective internal control over the its financial grants and awards and provide reasonable assurance that the District is managing the grants and awards in compliance with applicable statutes, regulations, and the terms and conditions of the grant or award;

2. comply with State and Federal statutes, regulations and the terms and conditions of any grant or award;

3. evaluate and monitor the District’s compliance with statutes, regulations and the terms and conditions of any grant or award;

4. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings;

5. take reasonable measures to safeguard PII “protected personally identifiable information” and other information the awarding agency or pass-through entity designates as sensitive or the District considers sensitive consistent with applicable Federal and State laws, as well as local, and tribal laws/rules and District policies regarding privacy and obligations of confidentiality.

E. Comparison of expenditures with budget amounts for each State or Federal award.
F. Recordkeeping and written procedures to the extent required by Federal, State, local, and grantor rules and regulations pertaining to the grant award and accountability, including but not limited to, the following areas:

1. cash management;
2. allowability;
3. conflict of interest;
4. procurement;
5. equipment management;
6. conducting technical evaluations of proposals and selecting recipients;
7. compensation and fringe benefits; and
8. travel.

G. Disclosure of any potential conflict of interest and all mandatory violation disclosures potentially affecting the State or Federal award/grant to the State or Federal awarding agency or pass-through agency in accordance with applicable policy or regulations.
Program Income

Program income means gross income earned by a grant recipient that is directly generated by a supported activity or earned as a result of the Federal award during the grant’s period of performance.

Program Income shall be earned and managed in compliance with all applicable Federal and State law, as well as, local rules, regulations, assurances, District policies and administrative guidelines.

Unless it has received prior written approval to use a different method or the terms and conditions of the grant authorize a different method, the District uses the cash basis method of accounting for program income. Consequently, program income is deducted from total allowable costs to determine the net allowable costs. Program income will only be used for current costs unless the District is otherwise directed by the Federal awarding agency or pass-through entity.

It includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts and interest earned on any of them. Additionally, taxes, special assessments, levies, fines and other such revenues raised by a recipient are not program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income. Finally, proceeds from the sale of real property, equipment or supplies are not program income.

34 C.F.R. 75.707, 76.563, 76.565, 76.707
34 C.F.R. 80.36
2 C.F.R. 200.309, 200.310, 200.313, 200.318-.320, 200.343(b)&(e)
Compliance Supplement for Single Audits of State and Local Governments

20 U.S.C. 7906

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The Superintendent shall establish and maintain effective internal control over the District’s financial operations, including financial grants and awards, that provide reasonable assurance that financial operations and funds are managed in compliance with applicable statutes, regulations and the terms and conditions of any awards. The District will implement a process that is designed to achieve the following objectives:

A. effectiveness and efficiency of operations;
B. reliability of reporting for internal and external use;
C. compliance with applicable laws and regulations;
D. proper recording and accounting of transactions in order to permit the preparation of reliable financial statements and Federal reports;
E. maintenance and accountability over assets, including safeguarding assets against loss from unauthorized use or disposition.
F. evaluation and monitoring of its compliance with statutes, regulations, and the terms and conditions of the award;
G. prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
H. provision of reasonable measures to safeguard protected "personally identifiable information" ("PII") and other information required to be protected by federal or state laws relating to privacy and confidentiality or the awarding agency or pass-through entity.

Reference OIG Role Policy
2 C.F.R. 200.61-.62
2 C.F.R. 200.79
2 C.F.R. 200.303© NEOLA 2016
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BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

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28  Approved: 00/00/00
29  Revised & Adopted: 00/00/00
30  Reviewed: 00/00/00
31  Revised & Adopted: 00/00/00
CASH MANAGEMENT OF GRANTS

In order to provide reasonable assurance that all assets, including Federal, State, and local funds, are safeguarded against waste, loss, unauthorized use, fraud or misappropriation, the Superintendent shall implement internal controls in the area of cash management.

The District’s payment methods shall minimize the time elapsing between the transfer of funds from the United States Treasury or the Michigan Department of Education (MDE) (pass-through entity) and disbursement by the District, regardless of whether the payment is made by electronic fund transfer, or issuance or redemption of checks, warrants, or payment by other means.

The District shall use forms and procedures required by the grantor agency or pass-through entity to request payment. The District shall request grant funds payments in accordance with the provisions of the grant. Additionally, the District’s financial management systems shall meet the standards for fund control and accountability as established by the awarding agency.

The Superintendent is authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as deemed appropriate when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1693-1693r).

When the District uses a cash advance payment method, the following standards shall apply:

A. The timing and amount of the advance payment requested will be as close as is administratively feasible to the actual disbursement for direct program or project costs and the proportionate share of any allowable indirect costs.

B. The District shall make timely payment to contractors in accordance with contract provisions.

C. To the extent available, the District shall disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest
earned on such funds before requesting additional cash payments.

D. The District shall account for the receipt, obligation and expenditure of funds.

E. Advance payments will be deposited and maintained in insured accounts whenever possible.

F. Advance payments will be maintained in interest bearing accounts and interest retained or remitted in accordance with unless the following apply, except as specified by applicable Federal law and regulations.

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32 2 C.F.R. 200.305
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42 Approved: 00/00/00
43 Revised & Adopted: 00/00/00
44 Reviewed: 00/00/00
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COST PRINCIPLES - SPENDING FEDERAL FUNDS

The District shall utilize cost principles in the administration of State and Federal awards and grants that enable maximum allowability under such grants and awards and their efficient and effective administration through the application of sound management practices. Such funds shall be administered in a manner consistent with all applicable Federal and State laws, as well as, local ordinances, the associated agreements/assurances, program objectives and the specific terms and conditions of the grant award.

Cost Principles

Except where otherwise authorized by statute, costs shall meet the following general criteria in order to be allowable under Federal awards:

A. Be necessary and reasonable for proper and efficient performance and administration of the Federal award and be allocable thereto under these principles.

To determine whether a cost is reasonable, consideration shall be given to:

1. whether a cost is a type generally recognized as ordinary and necessary for the operation of the District or the proper and efficient performance of the Federal award;

2. the restraints or requirements imposed by such factors as sound business practices, arm's length bargaining, Federal, State, local, tribal and other laws and regulations;

3. market prices for comparable goods or services for the geographic area;

4. whether the individuals concerned acted with prudence in the circumstances considering their responsibilities; and

5. whether the cost represents any significant deviation from the established practices or Board of Education policy which may
increase the expense.

While Federal regulations do not provide specific descriptions of what satisfies the “necessary” element beyond its inclusion in the reasonableness analysis above, whether a cost is necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the District can demonstrate that the cost addresses an existing need, and can prove it.

When determining whether a cost is necessary, consideration may be given to whether:

a. the cost is needed for the proper and efficient performance of the grant program;

b. the cost is identified in the approved budget or application;

c. there is an educational benefit associated with the cost;

d. the cost aligns with identified needs based on results and findings from a needs assessment; and

e. the cost addresses program goals and objectives and is based on program data.

A cost is allocable to the Federal award if the goods or services involved are chargeable or assignable to the Federal award in accordance with the relative benefit received.

B. Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the Federal award.
policy

C. Be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the District.

D. Be afforded consistent treatment. A cost cannot be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.

E. Be determined in accordance with generally accepted accounting principles.

F. Be representative of actual cost, net of all applicable credits or offsets.

The term “applicable credits” refers to those receipts or reductions of expenditures that operate to offset or reduce expense items allocable to the Federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the State relate to the Federal award, they shall be credited to the Federal award, either as a cost reduction or a cash refund, as appropriate.

G. Be not included as a match or cost-share, unless the specific Federal program authorizes Federal costs to be treated as such.

H. Be adequately documented:

1. in the case of personal services, the Superintendent shall implement a system for District personnel to account for time and efforts expended on grant funded programs to assure that only permissible personnel expenses are allocated; and

2. in the case of other costs, all receipts and other invoice materials shall be retained, along with any documentation identifying the need and purpose for such expenditure if not otherwise clear.
Selected Items of Cost

The District shall follow the rules for selected items of cost at 2 C.F.R. Part 200, Subpart E when charging these specific expenditures to a Federal grant. When applicable, District staff shall check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, District and program-specific rules, including the terms and conditions of the award, may deem a cost as unallowable and District personnel shall follow those rules as well.

Cost Compliance

The Superintendent shall require that grant program funds are expended and are accounted for consistent with the requirements of the specific program and as identified in the grant application. Compliance monitoring includes accounting for direct or indirect costs and reporting them as permitted or required by each grant.
Determining Whether a Cost is Direct or Indirect:

A. Direct costs are those costs that can be identified specifically with a final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

These costs may include: salaries and fringe benefits of employees working directly on a grant-funded project; purchased services contracted for performance under the grant; travel of employees working directly on a grant-funded project; materials, supplies, and equipment purchased for use on a specific grant; and infrastructure costs directly attributable to the program (such as long distance telephone calls specific to the program, etc.).

B. Indirect costs are those that have been incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Costs incurred for the same purpose in like circumstances shall be treated consistently as either direct or indirect costs.

These costs may include: general data processing, human resources, utility costs, maintenance, accounting, etc.

Federal education programs with supplement not supplant provisions must use a restricted indirect cost rate. In a restricted rate, indirect costs are limited to general management costs. General management costs do not include divisional administration that is limited to one component of the District, the governing body of the District, compensation of the Superintendent, compensation of the chief executive officer of any component of the District, and operation of the immediate offices of these officers.
The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

1. Administrative or clerical services are integral to a project or activity.

2. Individuals involved can be specifically identified with the project or activity.

3. Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency.

4. The costs are not also recovered as indirect costs.

Where a Federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap shall include all direct administrative charges as well as any recovered indirect charges.

Effort should be given to identify costs as direct costs whenever practical, but allocation of indirect costs may be used where not prohibited and where indirect cost allocation is approved ahead of time by the Michigan Department of Education (MDE) or the pass-through entity (Federal funds subject to 2 C.F.R. Part 200 pertaining to determining indirect cost allocation).

**Timely Obligation of Funds**

Obligations are orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

The following list illustrates when funds are determined to be obligated under the U.S. Department of Education ("USDOE") regulations:

If the obligation is for:

A. Acquisition of property - on the date which the District makes a binding written commitment to acquire the property;
B. Personal services by an employee of the District - when the services are performed;

C. Personal services by a contractor who is not an employee of the District - on the date which the District makes a binding written commitment to obtain the services;

D. Public utility services - when the District receives the services;

E. Travel - when the travel is taken;

F. Rental of property - when the District uses the property; and

G. A pre-agreement cost that was properly approved by the Secretary (USDOE) under the cost principles in 2 C.F.R. Part 200, Subpart E - Cost Principles - on the first day of the project period.
policy

BOARD OF EDUCATION
DETOUR PUBLIC SCHOOLS COMMUNITY DISTRICT

66 Period of Performance
67
68 All obligations must occur on or between the beginning and ending dates of the
69 grant project. This period of time is known as the Period of Performance. The Period
70 of Performance is dictated by statute and will be indicated in the grant award
71 notification (‘GAN’). As a general rule, State-administered Federal funds are
72 available for obligation within the year Congress appropriate funds. However, given
73 the unique nature of educational institutions, for many Federal education grants,
74 the period of performance is twenty-seven (27) months. This maximum period
75 includes a fifteen (15) month period of initial availability, plus a twelve (12) month
76 period for carryover. For direct grants, the period of performance is generally
77 identified in the GAN.
78
79 In the case of a State-administered grant, grant related expenses may not be
80 incurred until the grant funding period begins or all necessary materials are
81 submitted to the granting agency, whichever is later. In the case of a direct grant,
82 grant related expenses may be incurred when the grant is approved, unless an
83 agreement exists with MDE or the pass-through entity to reimburse for pre-approval
84 expenses.
85
86 The Superintendent or his/her designee may approve grant related expenses prior to
87 the funding period, but after the grant award, provided that the actual services or
88 receipt of goods will occur during the grant award period.
89
90 For both State-administered and direct grants, regardless of the period of
91 availability, the District shall liquidate all obligations incurred under the award not
92 later than ninety (90) days after the end of the funding period unless an extension is
93 authorized. Any funds not obligated within the period of performance or liquidated
94 within the appropriate timeframe are said to lapse and shall be returned to the
95 awarding agency. Consequently, the District shall closely monitor grant spending
96 throughout the grant cycle.
97 100 2 C.F.R. 200.403-.406, 200.413(a)-(c), 200.430(a), 200.431(a), 200.458
98 101 2 C.F.R 200.474(b)
99 102
103
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TIME AND EFFORT REPORTING

As a recipient of Federal funds, the District shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Superintendent shall establish a process to verify that compensation for employment services, including salaries and wages, is allocable and properly expended, and that any variances from the budget are reconciled.

Compensation for employment services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits, which are addressed in 2 C.F.R. 200.431 Compensation—fringe benefits. Costs of compensation are allowable to the extent that they satisfy the specific requirements of these regulations, and that the total compensation for individual employees:

A. is reasonable for the services rendered, conforms to the District’s established written policy, and is consistently applied to both Federal and non-Federal activities; and

B. follows an appointment made in accordance with the District’s written policies and meets the requirements of Federal statute, where applicable.

Time and Effort Reports

The reports:

A. are supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated;

B. are incorporated into the official records of the District;

C. reasonably reflect the total activity for which the employee is compensated by the District, not exceeding 100% of the compensated activities;
policy

BOARD OF EDUCATION
DETOUR PUBLIC SCHOOLS COMMUNITY DISTRICT

D. encompass both Federally assisted and other activities compensated by the District on an integrated basis;

E. comply with the District’s established accounting policies and practices;

F. support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one (1) Federal award, a Federal award and non-Federal award, an indirect cost activity and a direct cost activity, two or more indirect activities which are allocated using different allocation bases, or an unallowable activity and a direct or indirect cost activity.

The District will also follow any time and effort requirements imposed by the pass-through entity to the extent that they are more restrictive than the Federal requirements. The Department with grant funded staff is responsible for the distribution, collection, and retention of all employee effort reports. Individually reported data will be made available only to authorized auditors.

Reconciliations

Budget estimates are not used as support for charges to Federal awards. However, the District may use budget estimates for interim accounting purposes. The system used by the District to establish budget estimates produces reasonable approximations of the activity actually performed. Any significant changes in the corresponding work activity are identified by the District and entered into the District’s records in a timely manner.
The District’s internal controls include a process to review after-the-fact interim charges made to a Federal award based on budget estimates and ensure that all necessary adjustments are made so that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

Applicable Laws, Regulations, and Guidance:
2 C.F.R. 200.430, 200.431
INVESTMENTS

The District’s policy is to invest funds from any source, as permitted and in accordance with applicable law, including the Revised School Code, to maximize the returns on the District’s excess cash balances, while reasonably controlling the risk of loss and maintaining an acceptable level of liquidity in those investments to meet the District’s operating needs.

To this end, the Board of Education directs the Superintendent to establish and oversee an investment strategy for the District’s resources.

District will track, through its financial reports and investment authorizations, the credit risk, concentration of credit risk, interest rate risk and foreign currency risks related to its investments.

The Superintendent may recommend for approval by the Board of Education, an Investment Advisor, who shall be responsible for overseeing and managing the investments of the District. The Investment Advisor shall be responsible for maintaining a record of the allocation of assets and the investment risks associated with those assets, as specified in the previous paragraph.

The Board of Education authorizes the Superintendent or Chief Financial Officer to make investments of available monies from the several funds of the District, as permitted by Section 1223 of the Revised School Code.

When there is a possibility that interest rate changes could adversely affect the fair value of a District’s investment, as determined under the Generally Accepted Accounting Principles (GAAP) standards, the following method(s) will be used to assess and control such risks:

A. segmented timed distribution;
B. specific identification;
C. weighted average maturity
D. Duration;
E. simulation model.

These methods shall be implemented as defined by the Government Accountability Standards Board. The Board may apply different methods to different investment.

A. Investments in U.S. Treasury securities and those other securities completely guaranteed by the Treasury as to payment of principal and interest may be purchased in any dollar amount or up to 100% of the available reserves.

B. Investments in other types of authorized securities may be made with the provision that no more than fifty percent (50%) of the total current investment portfolio consists of one type of security.

Investments in securities shall be with authorized investment institutions and dealers that must establish eligibility by meeting all of the following requirements:

A. primary and regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);

B. capital of no less than $10,000,000;

C. registered as a dealer under the Securities and Exchange Act of 1934;

D. a member of the National Association of Securities Dealers (NASD);

E. registered to sell securities in Michigan; and

F. the firm and assigned broker have been engaged in the business of effecting transactions in United States government and agency obligations for at least five (5) years.
The Superintendent is authorized to contract with a depository for the operation of a cash management system under the following conditions:

A. the contract is in writing;

B. the contract provides for the investment of funds by depository with the written approval of the Superintendent; and

C. the contract is awarded using the District's bidding procedure.

An obligation purchased in accordance with M.C.L. 380.1223(2), when received by the Chief Financial Officer, shall be deposited with the bank or trust company having the deposit of the money of the particular fund from which the obligation was purchased.

Money in the several funds of the School District shall not be commingled for the purpose of making an investment authorized by M.C.L. 380.1223. The Board, however, may establish and maintain one common debt retirement fund for bond issues of like character.

Earnings on an investment shall become a part of the fund from which the investment was made.

A. Funds of the Board may be withdrawn from approved public depositories or negotiable instruments owned by the Board and sold before maturity at the discretion of the Superintendent or designee acting within the law.

B. The Superintendent or his/her Chief Financial Officer may request, no more often than four (4) times per year, that each public depository report the amount of monies deposited by him/her and the total value of the pool of securities pledged to secure the monies of this District held by the depository.

M.C.L. 124.301 et seq., 129.11 to 129.118, 380.1221, 380.1223(2)
12 U.S.C. 1813
12 U.S.C. 1752
BORROWING

The District may borrow as necessary for its operations and capital expenditures in accordance with applicable laws and upon approval of the Board of Education. The Superintendent or designee shall prepare data and applications for any approval by the Michigan Department of Treasury for the borrowing funds to address operational cash flow needs and to finance projects through School Loan Revolving Funds, State Aid Notes, Tax Anticipation Notes, and bond Issues and other methods of financing District transactions.

Bids shall be solicited for all short-term loans which the Board has authorized and funds shall be borrowed from the responsible organization offering the most favorable terms as approved by the Board.

MCL 380.1351
MCL 388.1601 et. seq. – State School Aid Act
MCL 141.2101 et. seq. - Revised Municipal Finance Act

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The Board of Education may, from time to time, finance its capital improvements and operations through the issuance of debt obligations that are eligible for tax benefits under the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations"). Such obligations may include tax exempt obligations and/or tax-advantaged obligations, obligations eligible for tax credits (direct subsidies to the School District or tax credits to bond owners). All such tax-exempt obligations or tax advantaged obligations are referred to herein as "Obligations," whether in the form of general obligation bonds, revenue bonds, bond anticipation notes, tax anticipation notes, lease-purchase obligations, installment-purchase obligations or otherwise.

The Board shall comply with all Internal Revenue Code requirements and Treasury regulations related to the post-issuance compliance of tax-exempt and tax-advantaged obligations.

Internal Revenue Code of 1986, as amended
Treasury Regulations
SEC Rule 15c2-12

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BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

FINANCES
6146/page 2 of 2

39
BAD CHECKS

The District shall assess a fee for checks that, when deposited, are returned marked "insufficient funds". The Superintendent’s designee shall charge that fee. It shall not be less than the amount of the fee(s) charged to the District by its financial institution.

The Superintendent’s designee shall provide an opportunity for the payer to make proper payment or to arrange for a satisfactory payment schedule. If payment is not received within 45 days, the payment schedule is not adhered to, or the funds do not appear to be collectable, the Board of Education authorizes the Superintendent to remove the fee or charge from the District’s Accounts Receivable and to take appropriate action against the defaulting party.
FISCAL PLANNING

The Board of Education is responsible for the fiscal management of the School District and planning for the financial needs of the educational programs. The Board will strive toward maintaining both short and long-range projections of District financial requirements.

Accordingly, the Board directs the Superintendent and his/her designees to:

A. include cost estimates in all ongoing financial requirements;

B. prepare a long-range year-by-year plan for the maintenance and replacement of facilities and equipment;

C. maintain a plan of anticipated local, State, and Federal revenues; and

D. report to the Board any serious financial implications that emerge from the District’s ongoing fiscal planning.

The District shall manage its financial matters so that the budgeted year-end fund balance of the general fund is targeted to fall within a range of ten percent of the preceding year’s expenditures from the general fund. In addition, the Board directs the Superintendent’s designee to maintain annually a detailed two-year forecast of estimated expenditures and revenues.

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Revised & Adopted: 00/00/00
BUDGET PREPARATION AND ADOPTION

On an annual basis, the Board of Education will cause to have prepared, as applicable and required by statute, and then review and approve an annual budget and the following fund budgets:

A. General fund;
B. School nutrition;
C. Judgment levy;
D. Bond redemption;
E. Internal service fund;
F. Such funds as are deemed required or necessary by applicable governmental accounting principles or after consultation with the District's auditors.

The Board assigns responsibility for preparation and presentation of the budgets to the Superintendent or designee and directs the Superintendent or designee to present the budgets to the Board along with all available information associated with each budget in sufficient time to allow for proper analysis and discussion prior to the hearing.

When presented to the Board for review and/or adoption, the information shall include, as appropriate:

A. the anticipated expenditure and revenue in each financial category for the current year
B. the proposed expenditure and revenue in each financial category for the ensuing year;
C. the anticipated expenditure and revenue in each financial category for the current year;
D. the actual expenditure, the approved budget, and the actual revenue in each financial category for the previous year;

E. an estimate of the student enrollment for the current and ensuing year;

F. the amount of fund balance anticipated at the end of the current year;

comparison of expenditures with budget amounts for each State or Federal award

The Board shall approve the final adoption of the annual budget after completion of a public hearing. The hearing shall be held in conformity with the Open Meetings Act, the Budget Hearings of Local Government Act and other applicable law.

PA 267 of 1976 – Open Meetings Act - M.C.L. 15.261 et. seq.
PA 43 of 1963 - Budget Hearings of Local Government Act - M.C.L. 141.411
PA 94 of 1979 – State School Aid Act - MCL 388.1618

Approved: 00/00/00
Revised & Adopted: 00/00/00
Reviewed: 00/00/00
Revised & Adopted: 00/00/00
BUDGET IMPLEMENTATION

The Board of Education places the responsibility of administering the budget, once adopted, with the Superintendent. He/she shall keep the Board informed as to problems, concerns, or updates as the budget is implemented.

The Superintendent shall be authorized to proceed with making financial commitments, purchases, and other expenditures within limits provided in the adopted budget, including any approved amendments, limitations stated in Board policies, and within legal authority expressed in State statutes.

Appropriate financial reports and budget comparison reports shall be submitted monthly to the Board to keep members informed as to the status of the budget and overall financial condition of the District.

If, during the fiscal year, it appears to the Superintendent that actual revenues are less than estimated revenues, the Superintendent shall present to the Board recommended amendments to the budget that will prevent expenditures from exceeding revenues. Such recommendations shall be in accordance with requirements of the law and provisions of negotiated agreements.

M.C.L. 141.436 et seq.
PURCHASING

Procurement of all supplies, materials, equipment, and services paid for from District funds shall be made in accordance with all applicable Federal and State statutes, relations, Board policies, and administrative guidelines/procedures. Standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts are established in Policy 1130 - Conflict of Interest.

All procurement transactions shall be conducted in a manner that encourages competition and in accordance with good administrative practice and sound business judgement.

The Superintendent or designee shall establish formal and informal procurement administrative guidelines and procedures.

Cooperative Purchasing

The Board encourages the administration to seek advantages in savings that may accrue to this District through joint agreements for the purchase of supplies, equipment, or services with other governmental units.

Local Purchasing

The Board recognizes its position as a major purchaser in this community, and while it is the intention of the Board to purchase materials and supplies of quality at the lowest possible cost through widespread competition, if all other considerations are equal, the Board strongly encourages the use of local vendors and suppliers.

Emergency Purchases

The Superintendent or his/her designee(s) are authorized to purchase all items within the budget allocations. Further, the Superintendent is authorized to make purchases, without prior approval, of those goods and/or services needed in emergency circumstances, to maintain school operations in accordance with state and federal requirements for purchasing. The Superintendent or his/her designee(s) are authorized to make emergency purchases of up to $500,000 for school repair required by events which would have detrimental effect on the building or on the immediate health, safety or welfare of students or occupants of the building.
Emergency circumstances shall be defined in the Procurement administrative procedures. The Superintendent will notify the School Board immediately upon his commitment to make any emergency purchases. The Superintendent will also provide details on the emergency and proposed response.

**Procurement – Federal Grants**

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (2 CFR 200.317-.326) for the administration and management of Federal grants and Federally-funded programs.

DPSCD Policy 1130, 3110 and 4110 – Conflict of Interest

DPSCD Policy 6110

DPSCD Policy 6325

DPSCD Procurement Manual

M.C.L. 380.1267, 380.1274 et seq.

M.C.L. 124.1 et seq.

34 CFR 80.36

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Revised & Adopted: 00/00/00

Reviewed: 00/00/00

Revised & Adopted: 00/00/00
NEW SCHOOL CONSTRUCTION, RENOVATION

The Division of Operations will prepare recommendations for the Superintendent for new school construction, renovation, other construction, repair and facility alteration programs. In addition to the following, the Division will develop facilities development goals, cost analyses, plans, and administrative guidelines to effectuate implementation of this policy.

The Division of Operations will be responsible for a continuous inventory of District physical facilities, together with the size of sites, building capacities, age of buildings, and fitness for purpose.

The enrollment department will be responsible for monitoring school enrollment and making projections of student enrollment.

The Division of Operations will make recommendations to the Superintendent for adjustments to facilities for student enrollment, or as needed, which may include recommendations for new school construction, renovation, repair, other construction or facility alteration or reduction of facilities in service.

Based on the Division of Operations recommendations, the Superintendent will make recommendations to the Board for adjustments to facilities, including new construction, renovation, or repair of an existing facility, facility alteration or reduction of facilities in service.

Before beginning construction of a new school building, or an addition, repair or renovation of an existing school building, except emergency repairs, the District, shall obtain competitive bids on all the material and labor required for the complete construction of a proposed new building or addition to or repair or renovation of an existing school building which exceed the State statutory limit.

This policy does not apply to buildings, renovations, or repairs costing less than the statutory limit or to repair work normally performed by District employees or designees.

The District shall advertise for the invitation to bid (ITB) required under subsection:

A. By placing an advertisement for bids at least once in a newspaper of general circulation in the area where the building or addition is to be
constructed or where the repair or renovation of an existing building is to take place and by posting an advertisement for bids for at least two (2) weeks on the Department of Management and Budget website on a page on the website maintained for this purpose or on a website maintained by a school organization and designated by the Department of Management and Budget for this purpose.

B. By submitting the request for bids for placement on the Michigan Department of Management and Budget's website for school organizations, including a link to the District's website.

C. The advertisement for bids shall do all of the following:

1. specify the date and time by which all bids must be received by the District at a designated location;

2. state that the District will not consider or accept a bid received after the date and time specified for bid submission;

3. identify the time, date, and place of a public meeting at which the Superintendent or its designee will open and read aloud each bid received by the date and time specified in advertisement; and

4. state that the bid shall be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the owner or any employee of the bidder and any member of the Board or the Superintendent of the District. A Superintendent shall not accept a bid that does not include this sworn and notarized disclosure statement.

D. The District shall require each bidder for a contract under this policy, shall file a bid bond, or performance bond, in an amount not less than 1/20 of the amount of the bid, conditioned to secure the District from loss or damage by reason of the withdrawal of the bid or by the failure of the bidder to enter a contract for performance, if the bid is accepted by the Board.

E. The District shall not open, consider, or accept a bid that is received after the date and time specified for bid submission in the
advertisement for bids as described in subsection C of this policy.

F. At a public meeting identified in the advertisement for bids described in subsection C of this policy, the Superintendent or its designee shall open and read aloud each bid that the District received at or before the time and date for bid submission specified in the advertisement for bids. The District may reject any or all bids, and if all bids are rejected, shall readvertise in the manner required by this policy.

The District may consider and provide a preference to bidders:

1. which use a Detroit-based business as the primary contractor; and

2. which use one (1) or more Detroit-based business(es) as subcontractors.

For purposes of this preference a Michigan-based business means a business that would qualify for a Michigan preference for procurement contracts under M.C.L. 18.1268, which requires that the businesses certify that since inception or during the last twelve (12) months it has done one of the following:

1. have filed a Michigan business tax return showing an allocation of income tax base to Michigan

2. have filed a Michigan income tax return showing income generated in or attributed to Michigan

3. withheld Michigan income tax from compensation paid to the bidder’s owners and remitted the tax to the Michigan Department of Treasury

This preference shall not apply to any procurement or project using Federal funds, nor shall it be used if it would violate any Federal law or requirements.

G. The state statutory competitive bid threshold is adjusted annually.
The current exempt amount must be confirmed with the Michigan Department of Education prior to issuing contracts for construction, renovation, or repair which exceed the amount listed in this policy.

M.C.L. 380.1267

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PROCUREMENT – FEDERAL GRANTS/FUNDS

Procurement of all supplies, materials, equipment, and services paid for with Federal funds or District matching funds shall be made in accordance with all applicable Federal, State, and local statutes and/or regulations, the terms and conditions of the Federal grant, District policies, and administrative guidelines and procedures.

The Superintendent shall maintain a procurement and contract administration system in accordance with the USDOE requirements (2 CFR 200.317-.326) for the administration and management of Federal grants and Federally-funded programs. The District shall maintain a contract administration system that requires contractors to perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Except as otherwise noted, procurement transactions shall conform to the provisions of the District’s documented general purchasing Policy 6320.

All District employees, officers, and agents who have purchasing authority shall abide by the standards of conduct covering conflicts of interest and governing the actions of its employees, officers, and agents engaged in the selection, award, and administration of contracts as established in Policy 1130 – Conflict of Interest.

The District will avoid acquisition of unnecessary or duplicative items. Additionally, consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis shall be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. These considerations are given as part of the process to determine the allowability of each purchase made with Federal funds.

To foster greater economy and efficiency, the District may enter into State and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.
Policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

FINANCES

Competition

All procurement transactions, where applicable, shall be conducted in a manner that encourages full and open competition and that is in accordance with state required competitive bid thresholds. In order to promote objective contractor performance and eliminate unfair competitive advantage, the District shall exclude any contractor that has developed or drafted specifications, requirements, statements of work, or invitations for bids or requests for proposals from competition for such procurements.

Solicitation Language

The District shall require that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, shall set forth those minimum essential characteristics and standards to which it shall conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which shall be met by offers shall be clearly stated; and identify all requirements which the offerors shall fulfill and all other factors to be used in evaluating bids or proposals. The Board will not approve any expenditure for an unauthorized purchase or contract.

Competitive Proposals

Procurement by competitive proposal, normally conducted with more than one source submitting an offer, is generally used when conditions are not appropriate for the use of sealed bids or in the case of a recognized exception to the sealed bid method. Contracts shall be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Noncompetitive Proposals
Procurement by noncompetitive proposals allows for solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. the item is available only from a single source vendor;
2. the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the District;
4. after solicitation of a number of sources, competition is determined to be inadequate;

The Superintendent is authorized to make emergency purchases, without prior approval of those goods and or services needed to keep the school in operation.

Time and Materials Contracts

The District uses a time and materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to the District is the sum of the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, the District sets a ceiling price for each contract that the contractor exceeds at its own risk. Further, the District shall assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
Suspension and Debarment

The District will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement, in accordance with District administrative guidelines. All purchasing decisions shall be made in the best interests of the District and shall seek to obtain the maximum value for each dollar expended. When making a purchasing decision, the District shall consider such factors as (1) contractor integrity; (2) compliance with public policy; (3) record of past performance; and (4) financial and technical resources.

The Superintendent shall have the authority to suspend or debar a person/corporation, for cause, from consideration or award of further contracts. The District is subject to and shall abide by the nonprocurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR Part 180.

Suspension is an action taken by the District that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (2 CFR Part 180 Subpart G)

Debarment is an action taken by the Superintendent to exclude a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1). A person so excluded is debarred. (2 CFR Part 180 Subpart H)

The District shall not subcontract with or award subgrants to any person or company who is debarred or suspended. For contracts over $25,000, the District shall confirm that the vendor is not debarred or suspended by either checking the Federal government’s System for Award Management, which maintains a list of such debarred or suspended vendors at www.sam.gov; collecting a certification from the vendor; or adding a clause or condition to the covered transaction with that vendor. (2 CFR Part 180 Subpart C)
policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

FINANCES
6325/page 5 of 6

Bid Requirements

The Superintendent and his/her designees will abide by Michigan’s competitive bid threshold and requirements.

Bid Protest

A bidder who wishes to file a bid protest must file such notice and follow procedures prescribed by the Request for Proposals (RFP) or the individual bid specifications package, for resolution through the District Office of Procurement and Logistics.

Within ten (10) days of receipt of a protest, the Superintendent shall review the protest as submitted and render a decision regarding the merits of the protest and any impact on the acceptance and rejection of bids submitted. Notice of the filing of a bid protest shall be communicated to the Board and shall be so noted in any subsequent recommendation for the acceptance of bids and awarding of contracts.

Failure to file a notice of intent to protest, or failure to file a formal written protest within the time prescribed, shall constitute a waiver of proceedings.

Maintenance of Procurement Records

The District maintains records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price (including a cost or price analysis).

2 C.F.R. 200.317 - .326

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policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

Approved: 00/00/00
Revised & Adopted: 00/00/00
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Revised & Adopted: 00/00/00
PURCHASING CARDS

The Board of Education recognizes that bank credit cards ("purchasing cards") offer an alternative to existing procurement processes and provide a convenient, efficient method of purchasing goods and services. District employees authorized by the Superintendent may use purchasing cards only for District related purposes in accordance with this policy and handbook related to purchasing cards. Purchasing cards shall not be used to circumvent the general purchasing procedures required by State and Federal law and District policy.

Purchasing cards shall only be used in connection with District-approved or school-related activities and that only those types of expenses that are for the benefit of the District and serve a valid and proper public purpose shall be paid for by purchasing card. However, under no circumstances shall purchasing cards be used for personal purchases or for the purchase of alcoholic beverages, regardless of whether the purchase of such beverages is made in connection with a meal. The purchasing card shall never be used purchase tobacco products, gambling or any other inappropriate entertainment expense, as such expenditures do not serve a public purpose aligned with the District’s mission, vision, core values, or priorities. The personal gain of credit card rewards such as bonus points, frequent flyer miles, or any other affinity program reward by the employee/cardholder are strictly prohibited.

The Superintendent and his/her designee shall develop administrative guidelines that specify those authorized to use purchasing cards, the types of expenses which can be paid by purchasing card, and their proper supervision and use. Inappropriate or illegal use of the purchasing card and/or failure to strictly comply with the limitations and requirements set forth in the administrative guidelines may result in a loss of purchasing card privileges, disciplinary action subject to the Human Resources disciplinary process, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

All approved cardholders must abide by purchasing card procedures and regulations set forth in this policy and relevant purchasing card handbook. Misuse of the purchasing card may result in employee disciplinary action subject to the Human Resources disciplinary process, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.
Resources disciplinary process. The Department of Finance is responsible with administering, managing and auditing the use of purchasing cards.

All cardholders will receive training prior to receiving purchasing card. Upon completion of training, cardholders will sign out their purchasing card and agree to abide by this policy and the district purchasing card procedures. In addition, cardholders will agree to a payroll deduction if they make an unauthorized purchase in accordance with the above-mentioned items. The Superintendent and his/her designee reserves the right to provide additional training beyond the annual training requirement as needed.
VENDOR RELATIONS

The Board of Education shall not enter a contract knowingly with any supplier of goods or services to this District under which any Board member or officer, employee, relative of any Board member or employee or agent of this District has any financial or beneficial interest. Board members and employees will adhere to the District’s conflict of interest policies, as it applies to all dealings with vendors. The functions of pricing and supplier/contractor selections shall be carried out objectively and ethically.

Employees who are not authorized to negotiate purchases will not indicate District preference to suppliers/contractors for any product or service to source of supply.

Board members and employees who are authorized to recommend purchases and services and sources of supply and/or negotiate with suppliers and contractors will not:

A. Accept any gifts or favors from vendors which might, in any way, influence their recommendations on the eventual purchase of equipment, supplies, or services;

B. Perform any work or services for remuneration for a supplier/contractor except as disclosure of conflict of interest are properly made;

C. Give preferential treatment to friends, relatives, or former School District employees; and

D. Disclose information about bids or other confidential matters not approved for general release.

Nor will employees take any other action in relation to vendors/suppliers and contractors that will impair their ability to make purchasing decisions in the best interest of the District or will give one vendor/supplier/contractor an unfair advantage over another.

The District’s purchasing activity is intended solely to serve the operations of the District.
Employees failing to adhere to the above referenced policies will be subject to disciplinary action.

**Lobbying**

Former District employees and board members are prohibited from lobbying the District on behalf of a vendor for one calendar year from their official departure from the district. Vendors that violate this policy will automatically be disqualified from receiving any new contracts or contract extensions from the district for a period of two years.

Current employees and Board members are prohibited from receiving any compensation or gifts from vendors and/or potential vendors of the District.

**Vendor Sponsored Activities**

Subject to pre-approval by the Superintendent or his/her designee, district vendors with a current contract may financially cover training costs for their product or services or for district provided training. District vendors with a current contract may also serve as sponsors for district functions that serve a large number of employees, students, or families.

Approved: 00/00/00
Revised & Adopted: 00/00/00
Reviewed: 00/00/00
Revised & Adopted: 00/00/00
PAYMENT OF CLAIMS

The Board of Education directs the prompt payment of legitimate claims by suppliers of goods and services to the District.

Each bill or obligation of this Board must be itemized fully and verified before a warrant may be drawn for its payment.

When an invoice is received the District shall verify that the invoice is submitted properly, that acceptable goods were received or satisfactory services rendered, that the expenditure is included in the District’s budget and funds are available for payment, and that the amount of the invoice is correct.

The Superintendent is authorized to approve electronic funds transfers (EFTs) in the completion of prompt payment of legitimate claims. Such payments shall comply with the provisions of Policy 6107 and State law.

Once the District receives and confirms all necessary vendor deliverables for the term of the contract or purchase agreement, when appropriate, allowable, and possible the District will strive to pay all vendors within net 45 days.

M.C.L. 380.1274

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Revised & Adopted: 00/00/00
The most substantial payment of public funds for the operation of the District is made to employees of the Board for services rendered. To ensure that each employee so compensated is validly employed by this District and that the compensation remitted fairly represents the services rendered, this policy is promulgated.

Direct Deposit - Payroll Debit Card

Payment of wages shall be by use of direct deposit, payroll debit card, or check except as provided otherwise pursuant to a collective bargaining agreement. Employees' selection between payment by direct deposit or electronic transfer and any subsequent change in election shall be done freely, without intimidation, coercion, or fear of discharge or reprisal for the choice. The Board shall pay any fees or costs incurred in connection with paying wages or establishing a process for paying wages by direct deposit and payroll debit card.

Payroll Deductions

Payroll deductions shall be made in accordance with State and Federal law, applicable regulations, District policies, administrative guidelines and as authorized by employee for participation in District benefit plans. The purposes for each payroll deduction shall be provided in related administrative guidelines.

Deductions are not allowed for dues or service fees for a labor organization or for contributions to political action committees.

To the extent permitted by law and in accordance with the procedures set forth below, the Board of Education declares its willingness to enter into an agreement with any of its employees whereby the employee agrees to take a reduction in salary with respect to amounts earned after the effective date of such agreement in return for the Board's agreement to use a corresponding amount to purchase an annuity for such employee (or group of employees desiring the same annuity company) from any company authorized to transact the business as specified in law in accordance with Section 403(b) of the Internal Revenue Code, and in accordance with the District's administrative guidelines. However, it shall be clearly understood that the Board's only function shall be the deduction and remittance of employee funds.

Revised 3/16/2018
The Board, by providing employees with payroll deduction services for annuities, is not providing any financial advice to employees, and is not vouching for the suitability of any investment or any annuity provider. The District assumes no responsibility or liability for any investment decisions or losses with respect to employee annuity purchases.

Said agreement shall comply with all of the provisions of law and may be terminated as said law provides upon notice in writing by either party. Employees shall notify the Superintendent or his/her designee in writing if they wish to participate in such a program.

The Board recognizes that with limited permissible exceptions, as provided by law and as authorized, no deductions should be taken from the salaries of exempt employees. If an exempt employee believes that an improper deduction has been made to his/her salary, the employee should immediately report this information to the Payroll Department and his/her immediate supervisor. All reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made, and the Board will make a good faith commitment to avoid any recurrence of the error.

M.C.L. 408.476, 408.477
M.C.L. 380.1224, 408.477; 423.210 (2012 P.A. 53)

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Reviewed: 00/00/00
Revised & Adopted: 00/00/00

Revised 3/16/2018
PAYROLL DEDUCTIONS

The Board authorizes in accordance with the provisions of law or upon proper authorization on the appropriate form that deductions be made from an employee's paycheck form for the following purposes:

A. Federal and State income tax;
B. Social Security and Medicare;
C. Municipal income tax;
D. Public School Employees Retirement System;
E. Michigan Public School Employment Retirement System (MPSERS) Tax Deferred Payment (TDP) plan;
F. direct deposit in a chartered credit union and/or bank;
G. payment of group insurance premiums for a plan in which at least ten percent (10%) of the District employees participate;
H. payment for benefits of part-time employees who elect to participate in benefits provided to full-time staff;
I. Deductions relating to benefits provided by the District, including Section 125 flex plans; and
I. court ordered judgments, liens and wage assignments.

Deductions are not allowed for dues or service fees to a labor organization or for contributions to political action committees

To the extent permitted by law and in accordance with the procedures set forth below, the Board of Education declares its willingness to enter into an agreement with any of its employees whereby the employee agrees to take a
reduction in salary with respect to amounts earned after the effective date of such agreement in return for the Board’s agreement to use a corresponding amount to purchase an annuity for such employee (or group of employees desiring the same annuity company) from any company authorized to transact the business as specified in law in accordance with Section 403(b) of the Internal Revenue Code, and in accordance with the District’s administrative guidelines. However, it shall be clearly understood that the Board’s only function shall be the deduction and remittance of employee funds. The Board may limit the number of participating providers and select approved providers.

The Board, by providing employees with payroll deduction services for annuities, is not providing any financial advice to employees, and is not vouching for the suitability of any investment or any annuity provider. The District assumes no responsibility or liability for any investment decisions or losses with respect to employee annuity purchases.

Said agreement shall comply with all of the provisions of law and may be terminated as said law provides upon notice in writing by either party. Employees shall notify the Superintendent’s Office or designee in writing if they wish to participate in such a program.

The administration of voluntary benefit will be at the discretion of the Superintendent or his/her designee. The District will only process voluntary deductions when a processing fee is provided by the employee or the vendor to cover the cost of processing the deduction. The processing fee will be set by the Superintendent or his/her designee at a rate to cover all implementation costs associated with the voluntary deduction. The District will not incur any profit from administering voluntary deductions.

M.C.L. 380.1224, 408.477; 423.210 (2012 P.A. 53)
TRAVEL PAYMENT & REIMBURSEMENT

Travel expenses incurred for official business travel on behalf of the Board of Education shall be limited to those expenses reasonably and necessarily incurred by the employee in the performance of their job duties and responsibilities authorized, in advance, in accordance with administrative guidelines.

The District will follow the rates published annually by the U.S. General Services Administration (GSA), unless otherwise approved by the Superintendent, for payment and reimbursement for per diem meals and lodging. The District will follow the mileage rates in accordance with the Federal IRS prescribed mileage rate.

Unauthorized costs and expenses incurred will not be reimbursed.

Unauthorized expenses include but are not limited to alcohol, entertainment activities, such as movies, fines for traffic violations, and the entertainment/meals/lodging of spouses or guests.

Commercial airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would (1) require circuitous routing; (2) require travel during unreasonable hours; (3) excessively prolong travel; (4) result in additional costs that would offset the transportation savings; or (5) offer accommodations not reasonably adequate for the traveler’s medical needs. Instances of commercial airfare cost in excess of the basic least expensive unrestricted accommodations class must be justified and documented on a case-by-case basis.

All travel must be approved in advance. Travel payment and reimbursement must be authorized in advance and must be consistent with the District’s travel policy and administrative guidelines and any applicable requirements for federal grants, awards or federally funded programs. For travel paid for with Federal funds, the travel authorization must include documentation that demonstrates that (1) the participation in the event by the individual traveling is necessary to the Federal award; and (2) the costs are reasonable and consistent with the District’s travel policy.

All travel shall comply with the travel procedures and rates established in the administrative guidelines. All costs incurred with Federal funds must meet the cost allowability standards within Policy 6114 – Cost Principles – Spending Federal Funds.
FUNDRAISING

Fundraising is limited in order to prevent disruption and includes solicitation and collection of money for any purpose including collection of money in exchange for tickets, papers, or any other goods or services. Fundraising in school, on school property, or at any school-sponsored event is permitted only when the profit is to be used for school purposes or for an activity connected with the schools.

School and student fundraising activities serve two (2) general purposes:

A. to promote the education, general welfare, and morale of students; and

B. to finance the legitimate extra-curricular activities of the student body in order to augment, but not conflict with, the educational program provided by the Superintendent and his/her designee(s).

Requests for fundraising activities are initiated at the discretion of the principal and approved by appropriate District staff. It is the responsibility of the principal to follow the District’s internal fund accounting policies and procedures in approving and maintaining adequate controls and accountability over all fundraising activities.

Fundraising activities shall be conducted during non-instructional class time, preferably before and after school or during lunch, so not to interrupt instruction in the core subjects. At the principal’s discretion, the collection of money for pre-paid activities or pre-sale items only may be authorized at a specified time during the school day, as long as this process does not disrupt classroom instruction.

For any fundraisers that involve the sale to students of food items and/or beverages that will be consumed on campus, the food and/or beverages items to be sold shall comply with the current USDA Nutrition Standards in the National School Lunch and School Breakfast Programs, the USDA Smart Snacks in School regulations, and applicable State law. If approved, the fundraisers that involve the sale to students of food items or beverages that will be consumed on campus shall also be consistent with regulations established in Policy 8510, Health and Wellness Policy.

At the culmination of the fundraiser a profit and loss statement shall be submitted to the principal. Community members wishing to engage in fundraising activities at a school shall contact the school’s principal. No community member, student, school organization, or member of the school staff may solicit funds in the name of
the school from the public for any purpose without prior approval of the principal and the Superintendent’s designee(s). All approvals shall be in writing and shall be retained at the school for audit purposes.

All applications for approval of fundraising activities shall specify the times and places in which the fundraising activity will be conducted, the specific costs of the fundraising merchandise/activity; and the specific purpose intended for the funds being raised.

Each fundraising activity shall have adequate controls, reliable record-keeping procedures for the safekeeping of cash, and proper pricing. All fundraising activity shall also be conducted in a manner that protects participants. The Superintendent and or his/her designees may develop additional administrative guidelines and procedures for conducting fundraising activities. Fundraising for all student activities shall also be in accordance with other applicable Board policies.

Only district personnel who have received and satisfactorily passed training on handling cash may collect and transact funds in district approved accounts. All funds shall be deposited into district approved accounts. All fundraising activities and collection of funds associated with fund raising activities shall strictly follow district procedures established by the Superintendent or his/her designee.

Allowable Fundraising

The district prohibits fundraising by District staff, students, organizations and or affiliated groups for the acquisition of operational services, operational supplies, consumable paper based products, and other consumable goods that would traditionally be procured by the District, including but not limited to office supplies, toiletries, and traditional physical education equipment. Exceptions to this rule shall be approved by the Superintendent and his/her designee(s).

Student Activity Funds

Student Activity Funds may be established to facilitate fundraising and enable student activities. Each student activity fund covered by this policy shall be approved by the Superintendent or his/her designee before any money can be collected or is disbursed. The Superintendent is directed to obtain annually a list and brief description of all objectives, activities and limitations of each fund prior to the start of the new fiscal year.
policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

FINANCES
6605/page 3 of 5

The Chief Financial Officer or designee shall be the Treasurer of the student activity funds. He/She may delegate responsibility for the funds to the Principal of the school where fund activities take place.

All funds accumulated in the account of a specific class or student activity will, upon the discontinuance of the activity, be disposed of in accordance with the recommendation approved by the Superintendent or his/her designee.

Crowdfunding

This policy applies to the use of any form of crowdfunding utilizing an online service or website-based platform for the financial benefit or gain of the District – be it a specific classroom, grade level, department, school, or curricular or extracurricular activity. “Crowdfunding” refers to a fundraising campaign to collect typically small amounts of money from a large number of individuals to finance a project or fundraise for a specific cause. Through the use of personal networking, social media platforms, and other Internet based resources, funds are solicited or raised to support a specific campaign or project. Crowdfunding campaigns may be utilized to raise funds for specific class or student activity. Crowdfunding campaigns shall have prior approval and adhere to the fundraising requirements and guidelines/procedures referred to in this policy.

Crowdfunding activities aimed at raising funds for a specific classroom or school activity, including extracurricular activity, or to obtain supplemental resources (e.g., supplies or equipment) that are not required to provide a free appropriate public education to any students in the classroom may be permitted, but only with the specific approval the Deputy Superintendent/Chief of Schools.

All crowdfunding activities are subject to AG 6605.

In the event that a fundraiser, including a crowdfunding fundraiser is conducted without proper approval or in a manner deemed detrimental to the District or its participants, the District may take legal action and/or disciplinary action against the responsible persons.

The District is not legally responsible for fundraising activities conducted at the local school level and/or approved in accordance with this policy.

Fundraising conducted by the PTA/PTO and Other School-Allied Organizations
Fundraising activities organized and conducted by the PTA/PTSA and or any other school-allied organizations are independently operated by those organizations. Nevertheless, such activities shall be submitted to the respective school principal for approval prior to conducting the fundraising activity, with those involving community solicitation also requiring specific approval from the Deputy Superintendent/Chief of Schools. All approvals shall be retained for audit purposes.

Sponsors for Approved School Organizations

School sponsors for approved school organizations shall not accept any form of compensation from vendors that might influence their selection of a vendor that will provide a fundraising activity or a product that will be sold as a fundraiser. Sponsors for approved school organizations shall not accept any compensation from a vendor after a decision has been made regarding a fundraising activity or a product that will be sold as a fundraiser. In addition, sponsors for approved school organizations who make the selection of a vendor that will provide a fundraising activity or a product that will be sold as a fundraiser shall not enter into a contractual arrangement that provides compensation to the sponsor in any form from that vendor.

Additional Student Fundraising Prohibitions and Safeguarding:

The solicitations, collection of funds, and fundraising in private homes, offices or businesses of any kind shall not be permitted. Participants in school approved fundraising activities are strictly prohibited from standing in roadways and/or medians of roadways. Solicitations, collection of funds, and fundraising which presents any danger to students is prohibited. Students engaged in any type of community based fundraising shall be actively supervised and protected by certificated school district personnel. Written authorization from the Deputy Superintendent/Chief of Schools is required for student fundraising activities in the community.

The Superintendent and his/her designee(s) shall distribute this policy and the implementing procedures to all individuals, groups, and organizations granted permission to solicit funds on an annual basis.
ACCEPTING MONETARY CONTRIBUTIONS FOR LITIGATION

The Board recognizes its responsibility, in certain circumstances, to accept monetary contributions from individuals and organizations for the purpose of initiating or joining in litigation to challenge federal, state and local laws, policies or practices. Ultimately, accepted monetary contributions under this policy are limited to challenging laws, policies or practices that negatively impact the District’s rendering of services to students. In recognition of the prohibition on spending state and federal assets to fund this type of litigation, the District will whenever possible participate in legal challenges to laws, policies and practices when such litigation is funded by external monetary contributions received pursuant to this policy. This will enable the District to accomplish more than public funding allows. Specifically, this policy provides the District the added advantage of dedicated financial resources for initiating or joining in litigation or legal challenges that impacts the rendering of services to students. Based upon information and belief, there is no prohibition against using public funding to defend lawsuits; therefore, this policy shall not apply to monetary contributions needed to defend a lawsuit or legal challenge against the District.

The Superintendent or any Board member shall recommend to the Board the District’s role in seeking monetary contributions for the purpose of potential litigation, if any, and delineate, as appropriate, the respective oversight responsibilities of District staff with regard to donation management, acceptance, receipting, and stewardship. The District General Counsel shall serve as the primary institutional contact for all matters related to this policy.
INTERNAL SERVICE, TRUST, AND AGENCY FUNDS

The Board of Education directs the establishment of an Internal Service Fund and a Trust and Agency Fund. The Internal Service Fund is established for the administration of legal claims, workers compensation and health claims and Termination Incentive Program claims. Trust and Agency Fund is established for the financial administration of scholarships and other trusts operated for the benefit of students and duly approved by the Board.

The Superintendent and his/her designee shall be responsible for the administration of the Internal Service Fund and the Trust and Agency Fund. The Funds will be audited annually and will be administered under appropriate accounting controls. The books of account will record income and expenses separately for each approved area.

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Revised & Adopted: 00/00/00
RECOGNITION

The purpose of this policy is to permit the Board of Education to honor its staff, former Board members, and other nonemployee persons with plaques, pins, token retirement gifts and awards, and other amenities.

The Board may, upon recommendation of the Superintendent, consider, as appropriate, the presentation of token gifts to employees who have rendered service to the District for a period of time. The use of public funds for the purchase of a plaque, medal, trophy, or other award for the recognition of any employee, volunteer, or student is limited to $100 per recipient in total for the plaque, medal, trophy or other award.

Public funds under the control of the District may not be used to purchase alcoholic beverages, jewelry, gifts, fees for golf, or any item whose purchase or possession is illegal. Any such expenditure violates this policy.

The monetary amount for recognition awards will be adjusted annually by the Michigan Department of Education. On or before December 15 of each year, the Department will, upon request, provide the adjusted limit or, if the index is unavailable, the Department will provide a reasonable approximation.

The Board authorizes expenses incurred as listed above only when they serve a public purpose. Public purposes include, but are not limited to, the promotion of education, rapport with the business community, community relations, and the encouragement of nonemployees to serve as volunteers as well as furthering other interests.

M.C.L.A. 380.634
policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

FAIR LABOR STANDARDS ACT (FLSA)

It is the Board of Education’s policy to comply with the provisions of the Fair Labor Standards Act (FLSA) and its implementing regulations. The Board will pay at least the minimum wage required by the FLSA to all covered, non-exempt employees. Non-exempt employees are hourly employees, or salaried employees who do not qualify for a professional, administrative, computer or executive exemption under the FLSA. Teachers are generally exempt, even if they are paid on an hourly basis.

Non-exempt employees who work more than forty (40) hours in a given work week will receive overtime pay in accordance with the FLSA for all hours worked in excess of forty (40).

Non-exempt employees who work overtime without prior approval from the Superintendent or a supervisor may be subject to disciplinary action up to and including termination.

The work week is established as (Monday/12:00AM) to (Sunday/11:59PM).

To the extent that an employee’s individual contract or collective bargaining agreement provides for greater benefits than mandated by the FLSA, the contract or bargaining agreement will be honored.

Notwithstanding the fact that exempt school employees continue to meet the salary basis requirements and are not disqualified from exemption even if the employee’s pay is reduced or the employee is placed on a leave without pay for absences for personal reasons or because of illness or injury of less than one (1) work-day because accrued leave is not used for specific reasons, the Board reserves the right to make deductions from the pay of otherwise exempt employees under the following circumstances:

A. the employee is absent from work for one (1) or more full days for personal reasons other than sickness or disability;

B. the employee is absent from work for one (1) or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness;
policy

BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

C. to offset amounts employees receive as jury or witness fees, or for military pay;

D. for unpaid disciplinary suspensions of one (1) or more full days imposed in good faith for workplace conduct rule infractions; and

E. for penalties imposed in good faith for infractions of safety rules of major significance.

The Board shall also not be required to pay the full salary in the initial or terminal week of employment, or for weeks in which an exempt employee takes unpaid leave under the Family & Medical Leave Act.

This policy is intended to comply with and explain the employees’ rights under the Fair Labor Standards Act. To the extent there is any conflict, or the policy exceeds the statutory requirements, the statute and its implementing regulations prevail.

29 U.S.C. 201 et seq.
29 C.F.R. Part 541

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Revised & Adopted: 00/00/00
It is the policy of the Board of Education that a chart of accounts be established in accordance with the requirements of the State Department of Education for the accounting of all District funds. The Superintendent and his/her designee is responsible for an accounting of all capital assets to protect the financial investment of the District against catastrophic loss. Further, the Superintendent and his/her designee will establish procedures and regulations necessary to properly account for capital assets and comply with generally accepted accounting principles (GAAP) and ensure that the District’s capital assets are properly insured.

The District’s system of accounting shall comply with all requirements of the Governmental Accounting Standards Board, Statement No. 54 (GASB 54). In accordance with GASB 54, the District will report its fund balances in the following categories:

A. Nonspendable fund balance—amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).

B. Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

C. Committed fund balance—amounts constrained to specific purposes by the Board; to be reported as committed, amounts cannot be used for any other purpose unless the Board takes action to remove or change the constraint.

D. Assigned fund balance—amounts the Board intends to use for a specific purpose; intent can be expressed by the Board or by an official or committee to which the Board delegates the authority.

E. Unassigned fund balance—amounts that are available for any purpose; these amounts are reported only in the general fund.
The Board authorizes the auditors and directs its administrative staff to take all steps necessary to comply with the requirements of GASB 54. All revenue and funds will be designated to one of the above categories.

The Superintendent or his/her designee shall be responsible for the proper accounting of all District funds. He/she shall ensure that expenditures are budgeted under and charged against those accounts which most accurately describe the purpose for which such monies are to be or have been spent. Wherever appropriate and practicable, salaries of individual employees, expenditures for single pieces of equipment, and the like shall be prorated under the several accounts which most accurately describe the purposes for which such monies are to be or have been spent.

The Superintendent or his/her designee is responsible to implement procedures and practices that will determine: 1) Capitalization policies for District assets (i.e., which assets will be capitalized and depreciated over their estimated useful life versus which assets will be expensed in year of purchase); 2) Methods for calculating annual and accumulated depreciation expense for assets including estimates for asset lives, residual asset values, and depreciation methodology; 3) Procedures for recording gain or loss on sale of capital assets and proceeds from the sale of capital assets in compliance with GAAP Reporting of estimated cash values or replacement values to District insurance providers.

A report of the revenues and expenditures in the fund reporting categories established above shall be made to the Board on a monthly basis by the Senior Executive Director of Finance.

The Board’s annual financial statements will include information such as: 1) beginning and ending balances of capital assets; 2) beginning and ending balances of accumulated depreciation, 3) total depreciation expense for the fiscal year.
Such reporting shall include description of significant capital asset activity during the fiscal year including: acquisitions through purchase or donation, sales or dispositions including the proceeds and gains or losses on the sale, changes in methods of calculating depreciation expense or accumulated depreciation, such as, estimates of useful life, residual values, depreciation methodology (e.g. straight line or other method).

Before implementing procedures or changing procedures, the Superintendent will review the proposed procedure with the CPA appointed by the Board to conduct the Board’s financial audit. The procedures established shall comply with all statutorily required standards and generally accepted accounting procedures.

M.C.L. 41.422 et seq., 141.421 et seq.
GASB #34
GASB #54

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Revised & Adopted: 00/00/00
The Board of Education requires that, after the close of the fiscal year (June 30), an audit of all accounts of the District be made annually by an independent, certified public accountant firm. The audit examination shall be conducted in accordance with generally accepted auditing standards and shall include all funds over which the Board has direct or supervisory control.

The District shall prepare and timely submit the required number of copies of the District’s audited financial reports and management letter to all applicable regulatory bodies, including, but not limited to, the Wayne Regional Education School Authority and the Michigan Department of Education, in accordance with the government accounting standards and the requirements of the Office of Management and Budget (OMB), 2 CFR Part 200.

2 CFR 200
Michigan Department of Education Auditing Manual
PA 2 of 1968 - Uniform Budgeting & Accounting Act
MCL 141.422 et. Seq.

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Revised & Adopted: 00/00/00
Reviewed: 00/00/00
Revised & Adopted: 00/00/00
PUBLIC DISCLOSURE AND REPORTING

The Board of Education shall comply with all public disclosure and reporting requirements of applicable Federal and State law. The Superintendent and his designee are responsible for compiling all required reports and information, publishing on the District’s website and submitting reports and information to any appropriate regulatory bodies and governmental agencies.

Within fifteen (15) days after the Board adopts the District’s annual operating budget for the following school fiscal year, or adopts a subsequent revision to that budget, the District shall make all of the following available through a link on its website home page a link on its intermediate district’s website home page in a form and manner prescribed by the Michigan Department of Education:

A. The annual operating budget and subsequent budget revisions;

B. Using data that have already been collected and submitted to the department, a summary of District expenditures for the most recent fiscal year for which they are available, expressed in the following two (2) pie charts;

1. A chart of personnel expenditures, broken into the following subcategories

   a. Salaries and wages;

   b. Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits;

   c. Retirement benefit costs; and
d. All other personnel costs.

2. A chart of all District expenditures, broken into the following subcategories:
   a. Instruction;
   b. Support services;
   c. Business and administration; and
   d. Operations and maintenance.

3. Links to all of the following:
   a. The current collective bargaining agreement for each bargaining unit within the District;
   b. Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee in the District;
   c. The audit report of the audit for the most recent fiscal year for which it is available;
   d. The bids required under Section 5 of the Public Employee Health Benefits Act;
   e. The District’s written policy governing procurement of supplies, materials and equipment;
   f. The District’s written policy establishing specific categories of reimbursable expenses for a Board
member;

g. The District’s accounts payable check register for the most recent school fiscal year or a statement of the total amount of expenses incurred by Board members or employees of the District that were reimbursed by the District for the most recent school fiscal year;

h. The total salary and a description and cost of each fringe benefit included in the compensation package for the Superintendent of the District and for each employee of the District whose salary exceeds $100,000.00;

i. The annual amount spent on dues paid to associations.

j. The annual amount spent on lobbying or lobbying services;

k. Any required deficit elimination plan or enhanced deficit elimination plan;

l. Identification of all credit cards maintained by the District as District credit cards, including the identity of all persons authorized to use the cards, the credit limit on each card and the dollar limit, if any, for each person’s authorized use of the card;

m. Costs incurred for out-of-state travel by the school administrator that is fully or partially paid for by the District and the details of each instance of such travel, including the identification of each individual on the trip, the destination and the purpose; and
The Board shall have an audit of the District's financial and pupil accounting records conducted at least annually at the expense of the District by a certified public accountant or by the Intermediate District Superintendent, as may be required by the Michigan Department of Education. The Board shall retain these records for the current fiscal year and from at least the three (3) immediately preceding fiscal years.

The District's annual financial audit shall include an analysis of the financial and student accounting data used as the basis for distribution of State school aid. The student accounting records and reports, audits, and management letters are subject to requirements established in the auditing and accounting manuals approved and published by the State Department of Education.

Not later than November 1st for reporting the prior fiscal year, the District shall file its annual financial audit report with the Intermediate District.

The annual financial audit reports and student accounting procedures reports shall be available to the public in compliance with the Freedom of Information Act.

By November 1st of each year, the District shall submit to the Center for Educational Performance Information (CEPI), in a manner prescribed by the CEPI, annual comprehensive financial data consistent with accounting manuals and charts of accounts approved and published by the Department. This submission shall contain the District's web address where the required financial data is posted. The District shall also include a link on its websites to the website where the Michigan Department of Education posts this financial information.
By September 30th of each year, the District shall file with the State Department of Education the special education actual cost report on a form and in a manner as prescribed by the State Department of Education.

The District shall provide to the State Department of Education an annual progress report on the implementation of school improvement plans, curriculum, and accreditation as required by "Public Act 25 of 1990."

The District shall comply with the reporting requirements under State and Federal law, including reports to the Center for Educational Performance and Information (CEPI), as set forth by State law and as directed by CEPI. This shall include by:

A. June 30th of each year, providing CEPI with information related to safety practices and criminal incidents;

B. the first business day in December and June 30th of each year, providing CEPI with requested information related to educational personnel; and

Not later than five (5) weeks after the student membership count day, providing CEPI in a manner prescribed by the CEPI, the information necessary for the preparation of the District and high school graduation report.

C. October 7th of each year, providing CEPI with the transportation expenditure report;

D. Before July 7th of each school fiscal year, providing to CEPI the budgetary assumptions used when adopting the annual budget pursuant to the Uniform Budgeting and Accounting Act.

The assumptions do not need to be submitted, however, if the District had a positive general fund balance of at least five percent (5%) of total general fund revenues for each of the
two (2) most recently completed fiscal years.

M.C.L. 4.415, 388.1617a, 388.1618, 388.1619, 388.1651a, 15.231 to 15.246
M.C.L. 380.1204a(1), 380.1219
20 U.S.C. 6311
MCL 141.421 et seq.

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INTER-GOVERNMENTAL AGENCY COOPERATION

It is the policy of the Board of Education that strong lines of communication be maintained with other school districts and with institutions and organizations, federal, state, and local government agencies, including the intermediate school district, that provide District students with programs, training, or services not available in the District.

The Superintendent or designee may enter into such cooperative inter-governmental agency ventures for the purpose of providing programs which correlate to the District’s curriculum and help students better accomplish the educational outcomes established by the Board. For purposes of this policy, an inter-governmental agency is: (i) a federal, state or municipal agency, local or state educational agency or local school district; and (ii) is not a college or university.

The Superintendent shall provide notice to the Board before agreeing to any inter-governmental agency arrangements that would affect the use of District resources or require any additional resources of the District. The Board may provide direction to the Superintendent regarding entry into any such arrangement. On a quarterly basis, the Superintendent will provide a report regarding these arrangements to the Board.

M.C.L.A. 380.1296
A.C. Rule R340.291

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