

<p style="text-align: center;"><b>DEERFIELD SCHOOL DISTRICT</b> <b>SERIES 600: <u>FISCAL MANAGEMENT</u></b></p>
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### **FISCAL MANAGEMENT GOALS**

The quantity and quality of learning programs are directly dependent on the funding provided and the effective, efficient management of those funds. It follows that achievement of the district's purposes can best be achieved through excellent fiscal management. Further, the Board recognizes the important trust it has been given with the responsibility of managing a large amount of public resources. As trustee of local, state, and federal funds allocated for use in public education, the Board will be vigilant in fulfilling its responsibility to see that these funds are used wisely for achievement of the purposes to which they are allocated.

Because of resource limitations, there is sometimes a temptation to operate so that fiscal concerns, overshadow the educational program. Recognizing this, it is essential that the district take specific action to make sure education remains central and that fiscal matters are ancillary and contribute to the education program. This concept shall be incorporated into Board operations and into all aspects of district management and operation.

In the district's fiscal management, the Board seeks to achieve the following goals:

To engage in thorough advance planning, with broad-based staff and community involvement, in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.

To establish levels of funding, which will provide high quality education for the district's students.

To use the best available techniques for budget development and management.

To provide timely and appropriate information to all staff with fiscal management responsibilities.

To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.

### **FISCAL MANAGEMENT OPERATIONAL OBJECTIVES**

In pursuit of its stated goals on fiscal management, the Board endorses the following set of operational objectives:

Budget amounts will be based upon the result of program planning and prioritization done by the Board, based on input received from the administration, staff, and community.

Major program changes for FY shall be proposed not later than March and shall be presented to the Board during its March regular meeting.

Initial budget amounts must be presented to the Board at least 60 days prior to the scheduled date for adoption of the budget.

Accounting and reporting procedures will be in operation, which provide up-to-date reports of expenditures, encumbrances, and balances. The system will have the capability of providing such reports upon request within 24 hours after the request is received.

**ANNUAL OPERATING BUDGET**

The Deerfield School District is responsible for educating the children and youth of the district.

The annual operating budget is the means by which the board secures adequate financial resources for its educational programs and daily operation of the schools. The budget also provides a basis for accountability in fiscal management.

Public school budgeting is regulated and controlled by statute. By law, the board must submit its proposed budget to an annual meeting of the school district. The annual meeting will be called and budget summary presented according to statutory regulations.

Preliminary planning and preparation of the annual budget will be accomplished by the district administrator and staff, and will reflect the results of the program planning and the prioritization of the Board. The proposed budget will be presented to the board. Upon adoption, the board will then present its recommended budget in final form to the annual meeting.

LEGAL REFS.: 65.90

120.08

120.09

120.10

## **BUDGETING SYSTEM**

The budgeting system of the Deerfield Community School District will be that as required by the Wisconsin Department of Public Instruction.

### **Fiscal Year**

The fiscal year for its district is July 1 to June 30.

### **Budget Deadlines and Schedules**

The Board of Education will approve a tentative budget for each school year. In the course of regular and special meetings the board and administrator will make every effort to inform the public of decisions that will have significant impact on the budget of the district.

August Publish budget per requirement of Wisconsin statute 65.90 (3)

August Publish notice of annual meeting per Statute requirement 120.08 (1) (c)

August Annual meeting as per ss. Requirement

While reviewing the initial draft of the budget, the Board will establish priorities to be accomplished during the subsequent year. The priorities will be based upon the needs identified through the district's planning process and by the Board. Adequate funds and resources will be provided for their accomplishment.

### **Determination of Budget Priorities**

While reviewing the initial draft of the budget, the Board will establish priorities to be accomplished during the subsequent year. The priorities will be based upon the needs identified through the district's planning process and by the Board. Adequate funds and resources will be provided for their accomplishment.

### **Dissemination of Budget Recommendations**

A summary of the proposed annual operating budget shall be published in the Deerfield Independent at least 15 days prior to the budget hearing and annual meeting.

A written statement of the proposed annual operating budget for the succeeding year shall be available, on request, to voters during the business hours of the district office for seven days (other than a Saturday, Sunday, or holiday) preceding the annual district meeting. The availability of this budget information shall be included in the legal notice of the annual meeting.

LEGAL REFS.: 65.90 (3)  
120.08 (1) (a) (c)

**DEERFIELD COMMUNITY  
SCHOOL DISTRICT**

**CODE: 622  
DATE OF ADOPTION: 3-17-80  
Revised: 7/28/97**

**BUDGET HEARINGS AND REVIEWS**

The district will conduct a statutorily required budget hearing at the annual meeting as specified in Wis. Statutes 65.90 (3)

LEGAL REFS: Wis. Stat.: 65.90 (3)

**BUDGET IMPLEMENTATION**

The school board places the responsibility for administering the operating budget, once adopted, with the district administrator. The board also delegates to the district administrator the responsibility for establishing a system of fiscal control to govern the expenditure of funds. In establishing such a system, the district administrator will implement these general principles:

The budget will be administered in accordance with legal requirements of the state of Wisconsin. In keeping with this principle, the district administrator will ascertain the legality of all expenditures before recommending them to the board for approval.

Each school and each department must operate under budget controls established by the district administrator.

No expenditures of funds may exceed the major budget classification allowance to which it may be charged.

LEGAL REFS.: Wis. Stat.: 67.11  
65.90

**LINE ITEM TRANSFER AUTHORITY**

In keeping with the need for periodic reconciliation of the district's budget, the Board will authorize as it sees fit the transfer of budget items upon the request and recommendation of the district administrator.

The Board will except that items that significantly change the purposes and intents or objects of the initial budget will be presented to the Board for specific approval.

In managing budgets set up for individual schools, modification of the school's budget by the principal must have the authorization of the district administrator.



**SHORT TERM BORROWING**

The Board of Education recognizes the need for carrying an operating reserve of unallocated funds as a safeguard against unanticipated expenditures and unrealized revenues and to avoid large temporary borrowings. The Board further recognizes the need for restricting the use of such funds, and controlling the size of the fund balance.

Annually while preparing the budget for the coming fiscal year, the Board will review and adopt the percentage of fund balance required for cash flow purposes, not to exceed 30% of the proposed level of expenditures.

**STATE AND FEDERAL AID ELIGIBILITY DETERMINATION**

The Board will be kept informed of possible sources of state, federal, and other funds for the support of the schools and the enhancement of educational opportunities in the district.

The district administrator will apprise the board of its eligibility for general or program funds and make recommendations for board action.

LEGAL REF.: Wis. Stat. 121.01

**GUIDELINES FOR INVESTMENTS**

Funds, which are not needed to meet immediate operating expenses, should be invested in authorized securities or funds to accrue maximum interest. Quotes may be obtained from financial institutions to insure that the funds are invested where maximum return may be realized.

Investments shall be limited in any one financial institution to the amounts insured by state and federal laws. If the financial institution shows proof of collateral to protect the district's investment, investments may be made over the insured limit.

The interest earned from such investments will be deposited to the respective fund.

The investment program will be administered under the direction of the district administrator and the bookkeeper/accountant.

LEGAL REF.: Sections 34.05 Wisconsin Statutes  
34.08  
66.04 (2)

**GATE RECEIPTS AND ADMISSIONS**

Admission receipts of school events shall be adequately controlled. The principal is responsible for the administration and supervision of all phases of school events for which an admission is charged.

Persons presenting faculty, or special passes will be admitted to all events. Adequate records shall be maintained to provide chronological and accounting data for subsequent review and analysis.

### **GRANT PROPOSALS**

To offer the best educational opportunities possible for students of the Deerfield Community School District, the school board will seek as many sources of revenue as possible to supplement the funds provided through local taxation and the basic aid offered by the state.

The district administrator or designee shall keep the board apprised of eligibility for state, federal and/or other program funds and make recommendations for board action.

Grant proposals shall meet the following criteria:

- a. They shall be related directly to the mission, goals, and objectives established within the district's student learning improvement plan or strategic plans.
- b. They shall include evaluation procedures to measure the degree of achievement for the outcomes identified in the proposal or program.
- c. They shall conform to all state and federal laws and board policies.

To provide coordination in developing proposals for grants, all will be forwarded to the district administrator or designee who will ensure all criteria are met. If designee is assigned, the proposal or application will then be forwarded to the district administrator.

The district administrator or designee will take proposals and applications to the board for approval and appropriate signatures if (1) board officer signatures are required; **or** (2) the amount requested is greater than \$3000; **or** (3) there is a commitment of local district expenditures (matching funds), including personnel during or after the project. When submission deadlines make prior approval impossible, the district administrator and the board president/clerk are authorized to sign proposals and applications prior to board approval. In such circumstance, approval shall be requested at the next meeting of the committee and/or board. In no case shall these types of grants be accepted before board approval.

The district administration may approve and return a proposal to the originator for submission then provide the board with information about proposal if (1) board officer signatures are not required; **and** (2) the amount requested is less than \$3000; **and** (3) there is no commitment of local district expenditures (matching funds).

The board will be advised on an ongoing basis of grants received that have been approved via this process.

At the end of each school year, a monitoring report will be provided to the board on all grants applied for, received, completed, or denied.

**DEERFIELD COMMUNITY  
SCHOOL DISTRICT**

**CODE: 661  
DATE OF ADOPTION: 04-21-80**

**DEPOSITORY OF FUNDS**

The Deerfield Community School District designates the Bank of Deerfield as the official depository for all school district funds. The district may identify another separate depository for investment purposes upon specific action of the board at a regular Board of Education meeting.

LEGAL REFS: Wis. Stat: 66.042 (3), 120.12 (7)

**AUTHORIZED SIGNATURES**  
**(Use of Facsimile Signatures)**

Signatures, including facsimile signatures of the Board president, clerk, and treasurer are to be used on checks, drafts, warrant checks, vouchers, or other orders on public funds deposited in designated depositories. Each officer shall authorize said depository banks to honor any such instrument bearing his or her facsimile signature in such form as he or she may designate and to charge the same to the account in said depository bank upon which drawn, as fully as though it bore a manually written signature. Instruments so honored shall be wholly operative and binding in favor of said depository bank although such facsimile signature shall have been affixed without authority.

The keys to control the authorized signature are to be kept by the school district treasurer and the school district business manager. The school district business manager is not to operate the machine without specific directions of the school district treasurer.

**DEERFIELD COMMUNITY**

**CODE: 662.1**

**SCHOOL DISTRICT**

**DATE OF ADOPTION: April 25, 2005**

**Revised:**

### **Student Activities Fund Management**

#### **Organization of a Student Activity Fund**

Student activity funds are formed at the time a school activity, organization, club or class is formed under the sponsorship of an advisor that is a school employee, and with the approval of the building Principal. It is the responsibility of the building principal to notify the district's Business Manager and the building's Administrative Assistant of the new fund. It is the advisor's responsibility to contact the district's Business Manager and/or the building's Administrative Assistant to receive instruction on the procedure for accounting for funds received and disbursed.

It is the responsibility of the building Principal to notify the district's Business Manager and the building's Administrative Assistant of changes in the advisorship of any school activity, organization, club or class.

It is the responsibility of the advisor to continually oversee the operation of the fund. Each year, the advisor is to submit to the building Principal and Administrative Assistant a list of student officers and/or others who will be working with the fund. Every effort should be made to make sure an account does not have a negative balance at any point throughout the year.

#### **Collection and Deposit of Cash**

All money collected from any source must be substantiated by receipts, records, or other auditable and checkable records. Money should be deposited daily if possible, and money not deposited should be kept in a safe in the district office overnight. If access to the district office is not possible, money may be stored in a teacher's locked file cabinet overnight.

#### **Disbursement of Activity Funds**

Funds received shall only be used for purposes related to the educational growth of the organization, club or class members, or for purposes beneficial to the school community.

Disbursement of activity funds shall be made only after approval by the faculty advisor and the building Principal. All disbursements must be supported by proper documents (purchase orders, vouchers, invoices, etc.).

#### **Audit of Funds**

Complete records relating to activity funds will be audited by the district's Business Manager by the end of June of each year. An audit of all funds will be made by a certified auditor at the end of the school year and will be conducted as part of the total school district audit. Other periodic internal audits will be made as deemed necessary by the Building Principal, Administrative Assistant, and/or Business Manager.



**BONDED EMPLOYEES**

The school district will provide at district expense a public employee blanket bond (Honesty Blanket and Faithful Performance Blanket) for the following positions:

School District Treasurer  
Superintendent  
Assistant Superintendent  
District Secretary  
Special Education Secretary  
District Business Manager  
Payroll Clerk  
MS Principal  
HS Principal  
HS/MS Secretary  
Elementary School Principal  
Elementary School Secretary

All of the above to be covered for \$100,000.00 each with a total aggregate amount not to exceed \$100,000.00 for the District Treasurer and all employees covered.

LEGAL REF: Wis. Stat. 120.13 (23)

**CASH IN SCHOOL BUILDINGS**

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

All monies collected will be receipted, accounted for, and directed without delay to the proper location for deposit.

In no case will monies be left overnight in schools except in safes or lockable files provided for valuables.

**DEERFIELD COMMUNITY  
SCHOOL DISTRICT**

**CODE: 671  
DATE OF ADOPTION: 11-17-80  
Revised: 7/28/97**

**PAYROLL PROCEDURES**

The District Administrator is authorized to certify payrolls and the treasurer of the Board of Education is authorized to issue checks in accordance with the duly certified payroll. The check signer will be controlled by the treasurer. The treasurer will authorize the use of the check signer by instruction to the school district business manager.

### **PAYDAY SCHEDULES**

Paydays shall be the 15<sup>th</sup> and 30<sup>th</sup> of each month for all school district employees. All pay adjustments shall be reflected on the last check of each month. Personnel receiving extra pay as sponsors or advisors of continuing special activities shall receive this extra pay at the end of the school year. Those with coaching responsibilities shall be paid at the end of the particular athletic season. The Athletic Director and the Middle School Team Leader shall receive their pay for those responsibilities prorate with each pay check.

**EXPENSE REIMBURSEMENTS**

District personnel and officials who incur expenses in carrying out their authorized duties shall be reimbursed by the district upon submission of a properly filled out and approved voucher and such supporting receipts as required by the District Administrator. Such expenses may be approved and incurred in line with budgetary allocations for a specific type of expense.

When official travel by personally owned vehicle has been authorized, mileage payment shall be made at the rate currently approved by the Board.

A variable reimbursement rate will be based on the price of regular unleaded gasoline posted on the pump at the Deerfield BP or Deerfield Mobil (which ever is lower) established on the 1<sup>st</sup> of each month. The reimbursement rate will remain the same during the month.

Mileage is always paid on the shortest route basis and the school district is the preliminary point for starting from and returning to unless the claimant's home is closer to the point of:

Cost/Gal. Of Unleaded	Reimbursement		Cost/Gal. of Unleaded	Reimbursement
Up to 1.999	.34		3.500 – 3.999	.54
2.000 – 2.499	.39		4.000 – 4.499	.59
2.500 – 2.999	.44		4.500 – 4.999	.64
3.000 – 3.499	.49		Greater than \$5.00	.69
* In any instance, the allowable reimbursement rate shall not exceed the maximum rate allowable under IRS regulations.				

**TAX SHELTERED ANNUITY PROGRAM**

Attached is the district's policy and supporting materials regarding Tax Sheltered Annuities.  
ADMINISTRATIVE POLICIES

REGARDING  
THE DEERFIELD SCHOOL DISTRICT  
TAX SHELTERED ANNUITY PROGRAM  
Adopted \_\_\_\_\_, 1997  
ADMINISTRATIVE POLICIES

REGARDING  
THE DEERFIELD SCHOOL DISTRICT  
TAX SHELTERED ANNUITY PROGRAM  
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## ARTICLE I – ESTABLISHMENT AND PURPOSE

The Deerfield School District (the “District”) sponsors a tax sheltered annuity program (the “TSA Program”) for the benefit of its employees. The administration and operation of the TSA Program, which is intended to qualify for preferential tax treatment under §403(b) of the Internal Revenue Code of 1986, as amended (the “Code”) is governed by the following administrative rules and procedures.

## ARTICLE II – VOLUNTARY EMPLOYEE CONTRIBUTIONS

Salary Reduction Agreements. Each eligible employee of the District may elect to reduce his or her salary by a specified amount (the “Salary Reduction”) by completing and returning a written “Salary Reduction Agreement” which is available from the District. Salary Reduction Agreements are only effective on a prospective basis and, except for the employee’s right to change or revoke the election as described below, each Salary Reduction Agreement is irrevocable.

Amount of Salary Reduction. Each Salary Reduction Agreement must specify the amount of the individual Salary Reduction which the employee elects to have the District contribute toward the purchase of an annuity contract or to a custodial account on his or her behalf. An employee’s Salary Reduction for a calendar year may not exceed: (a) the Annual Deferral limitation provided in Code §402(g); (b) the maximum exclusion allowance provided under Code §403 (b)(2); or (c) the annual addition limitation provided under Code §415(c).

Change or Revocation of Election. Under specified circumstances, an employee may change or stop his or her Salary Reduction payments. An employee may change the amount of his or her Salary Reduction two (2) times per calendar year. An employee may discontinue his or her Salary Reduction payments as of the first day of the pay period following the pay period in which the notice of the request to discontinue is provided to the District. If an employee discontinues his or her Salary Reduction, however, the employee may not again elect to reduce his or her salary, except as provided under this TSA program. Except as provided in this section, each Salary Reduction Agreement and the amount of Salary Reduction selected by an employee is irrevocable while the employee is employed by the District.

Completion of Election. Any election by an employee to reduce his or her salary under the program (including any change in amount or revocation thereof other than a cessation of deferrals) must be received by the District at least three (3) calendar weeks prior to the effective date of such election. The employee is solely responsible for obtaining, completing, and executing all required application forms of an eligible provider, as well as all District forms required to initiate, change, or terminate a Salary Reduction election and deliver those forms to the District.

Payroll Deduction. The District may make regular payroll deductions in lieu of the payment of compensation to an employee to pay for the selected Salary Reductions. Through a Salary Reduction Agreement, an employee releases any and all rights, present and future, to receive payment of the sums from the District resulting from such Salary Reductions in any form, except: (a) the right of the employee’s estate to the receipt of sums so paid upon the employee’s death; or (b) the right of the employee upon termination of employment (by reason other than death) to receive all or any part of the amount specified for which service has been rendered, but which has not remitted to the tax sheltered annuity provider (“Vendor”) selected by the employee.

Certification of Deferral. Each Vendor selected by the employee as the recipient of the Salary

Reductions shall provide the employee and the District with a calculation which demonstrates, to the satisfaction of the District, that the Salary Reductions selected satisfy the limitations of law (as summarized in Section 2.02, above). This calculation shall be required only for employees who elect to defer an amount equal to or in excess of the lesser of: (a) 10 percent of gross wages; or (b) \$2,500 in a calendar year. The certification shall be provided annually if the employee experiences a change in employment status, employment compensation, and/or with the first change in deferral, other than revocation.

Tax Withholding. Salary Reductions are subject to applicable FICA withholding. Salary Reductions are not, to the extent they are within applicable legal limits, subject to federal or state income tax or income tax withholding.

Wisconsin Retirement System. The amount of Salary Reductions, other than amounts deferred by the waiver of the employee to receive fringe benefits, shall be included in computing contributions and benefits under the Wisconsin Retirement System.

### ARTICLE III – ANNUITY CONTRACTS AND CUSTODIAL ACCOUNTS

Eligible Annuity and Custodial Account Providers. The District will allow various Vendors to participate in the Program (the “Eligible Providers”) subject to the terms of an Agreement negotiated with representatives of the affected employee collective bargaining units or as established by the business office of the District for other employees. The Eligible Providers will make available to employees participating in the program, annuity contracts and/or custodial accounts which qualify for preferential tax treatment under Code §403(b).

To be eligible for consideration as an Eligible Provider, in addition to Policy compliance, each Vendor must be selected by at least (5) employees of the District, unless otherwise agreed to by the District. Notwithstanding this requirement, any Vendor that has been selected by an employee(s) of the District and which operates within the District as of December 31, 1996, shall be allowed to continue to service each employee who has already elected to work with that Vendor provided the Vendor complies with the terms and conditions of the District Policy. No additional employees may elect to work with such a Vendor unless that Vendor later becomes an Eligible Provider.

Remittance by District. Salary Reductions made pursuant to a valid election by an employee will be remitted by the District to the appropriate Eligible Provider no later than the 15<sup>th</sup> day of the month following the month in which the payment would have been paid to the employee but for the Salary Reduction election.

Provider Election. Each employee making Salary Reductions pursuant to the District’s TSA plan must select one of the Eligible Providers. A list of Eligible Providers should be maintained by the District and made available to interested employees. Any election of a Vendor who is not also an Eligible Provider shall be invalid. The designation of an Eligible Provider by an employee will remain in effect until changed in accordance with these rules and procedures. Twice per calendar year, and employee may select another Eligible Provider by completing and returning a Salary Reduction Agreement consistent with the rules provided in Section 2.04, above.

### ARTICLE IV – RESPONSIBILITIES OF PARTICIPATING EMPLOYEES

General Responsibility. Each employee is solely and exclusively responsible for the selection of an Eligible Provider, the evaluation of the investment quality of any annuity contract or custodial account offered by that Eligible Provider, and the selection of any investment options offered within the annuity contract or custodial account selected by that employee. The District shall have no liability whatsoever for any loss suffered by an employee arising out of or related to any



selection of an Eligible Provider or due to the financial insolvency of or loss of benefits provided by the Eligible Providers.

Cooperation with Providers. Participating employees must cooperate with the Eligible Provider that they select to calculate the employee's annual deferral limitation, maximum exclusion allowance, and annual addition limitation. This may require that the employee provide the Eligible Provider with accurate salary and deferral information for current and past years, information relating to the employee's years of service with the District, and other information as designated by the Eligible Provider.

Notice of Change of Status. As soon as reasonably possible, participating employees must provide written notice to the Eligible Provider which they have selected as to any change in employment status including, but not limited to, a reduction from full-time to part-time employment, a leave of absence, or a decrease in annual compensation.

#### ARTICLE V – RESPONSIBILITIES OF THE DISTRICT

General Responsibilities. The sole and exclusive responsibility of the District with respect to the TSA Program is limited to: (a) collecting salary deferrals as required by a valid Salary Reduction Agreement and remitting such Salary Reductions to Eligible Providers in accordance with each employee's election; (b) maintain a list of Eligible Providers; (c) distribute or make available information that the District receives from Eligible Providers; and (d) maintain District forms required under this Policy.

No Fiduciary Relationship. No action taken by the District under the TSA Program shall be considered to create a trust of any kind or any fiduciary relationship between the District and participating employee, designated beneficiaries, or any other person.

Tax Qualification. The District makes no warranty or representation to employees that any annuity or custodial contracts offered by Eligible Providers are qualified under §403(b) of the Code or that Salary Reductions applied to the purchase of annuity contracts or invested in custodial accounts will be excluded from the gross income of employees under §403(b) of the Code. The District will, however, use its best efforts to comply with any applicable provisions of law relative to the TSA program.

#### ARTICLE VI – RESPONSIBILITIES OF ELIGIBLE PROVIDERS

Annuity Contract and Investment Information. Eligible Providers will provide information to requesting employees regarding the annuity contracts and/or custodial contracts offered and the investment performance thereof. Eligible Providers will also provide to requesting employees all applications, forms, elections, and documents necessary to apply Salary Reductions toward the purchase of annuity contracts and/or custodial accounts offered under the District's TSA Program.

Qualified 403(b) Contracts. Eligible Providers will make available to employees participating in this program, only annuity contracts or custodial accounts which meet the requirements of Code §403(b). Eligible Providers and their agents must adhere to all applicable federal and state laws, rules and regulations which govern tax deferred annuity programs.

Contribution Limitations. Each Eligible Provider will maintain records necessary to assure compliance with the annual deferral limitation under Code §402(g), the maximum exclusion allowance under Code §403(b), the annual addition limitation under Code §415(c), and any other limitations on Salary Reductions which may be imposed by law.

Annual Reporting. Each Eligible Provider will provide employees who purchase annuity contracts or who invest in custodial accounts under the District's TSA Program with information concerning those Salary Reductions and investment performance of such contracts and accounts.

Each Eligible Provider shall also provide assistance to employees in calculating the employee's maximum exclusion allowance on at least an annual basis.

Indemnification. As a condition to be an Eligible Provider, each Vendor must agree, in writing, to their responsibilities under the District's TSA Program and to indemnify and hold the District harmless with respect to any liability, including fines or penalties, costs or fees, imposed upon the District by a court, administrative agency, or otherwise as a result of a violation of this policy or a violation of the federal or state laws, rules and regulations governing tax deferred annuity programs or as otherwise incurred by the District as a result of such violation.

#### ARTICLE VII – AMENDMENT AND TERMINATION

Amendment. The District may amend these administrative policies at any time and from time to time.

Termination. The District may terminate its TSA Program if required by law, or as it deems advisable, provided that the District will not terminate the TSA Program with regard to employees who are represented by a collective bargaining agreement, unless the termination is required by law or the termination is consented to by the employees' bargaining representatives.

Deerfield School District

TSA Vendor

Hold Harmless and Indemnification Agreement

In consideration of the Deerfield School District (the "District") permitting \_\_\_\_\_

\_\_\_\_\_ (the "Vendor") to serve as a TSA Vendor for the employees of the District, the sufficiency of which is hereby acknowledged, the Vendor represents and agrees as follows:

The Vendor shall provide the District with information sufficient to confirm that its TSA program, including all documents memorializing or implementing the TSA plan, satisfies the requirements for status as a "Section 403(b) Plan" under the relevant provisions of Sections 401(a), 402(g), 403(b), and 415 (c) of the Internal Revenue Code of 1986, as amended (the "Code"). Further, by way of illustration and not limitation, the TSA program provides for: Rollover and transfer of benefits set forth at Section 401(a)(31) of the Code.

Nonforfeitability of benefits of participant, except for failure to pay premiums.

Compliance with the distribution requirements of law including the minimum distribution requirements, early distribution requirements and hardship distribution requirements.

Appropriate funding vehicles, as provided by law, for TSA contributions, limited to annuities and custodial accounts.

Testing of contributions of and for the participant for compliance with the requirements of Sections 402(g), 403(b), and 415(c) of the Code including but not limited to:

Annual Deferral Limitation, including applicability of the "catch-up" election.

Maximum Exclusion Allowance, including but not limited to District and/or employee contributions under the Wisconsin Retirement System.

Annual Addition Limitation, including any "A", "B" or "C" elections under Section 415(c) of the Code.

Consideration of TSA contributions in lieu of fringe benefits.

Filing all documents required at law in the administration and operation of the plan.

Upon request, the Vendor shall prepare for all employees deferring amounts to it under a salary reduction agreement, or assist employees in preparing, a calculation demonstrating that such election and all prior elections for the plan year, result in contribution levels which comply with the requirements of the applicable limitations under Section 402(g), 403(b), and 415(c) of the Code.

The District may prohibit further deferrals to the Vendor if the Vendor fails to comply with the requirements of the Policy of the District.

The Vendor agrees to hold harmless and indemnify the District from any and all liability, costs, assessments, fees, penalties or other impositions, from whatever source or means, including, by way of illustration and not limitation, any legal proceeding, Internal Revenue Service audit or negotiated settlement resulting from any Code violation or error by the Vendor in the administration of the laws, rules or regulations governing TSA plans. This indemnification by Vendor shall include, but not be limited to, actual attorney's fees, interest, actual and consequential damages, penalties, fees and costs.

The provisions of this Agreement are severable and, accordingly, if any term or provision of this Agreement is held by court of competent jurisdiction to be unenforceable for whatsoever reason, the remaining terms and conditions hereof shall continue to bind the parties and be fully enforceable.

This Agreement shall be construed under the requirements of the Internal Revenue Code and other applicable federal or Wisconsin laws. Any action on or under this Agreement shall be brought only in the State of Wisconsin.

This Agreement reflects the entire agreement of the parties relative to the TSA plan of the Vendor. Any other representations, terms, conditions or provisions shall be of no force or effect.

The signatory to this Agreement for the Vendor represents and warrants that he/she has the authority to execute this Agreement and bind the Vendor to the terms and conditions hereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 200\_.

Deerfield School District: Vendor: \_\_\_\_\_

By: \_\_\_\_\_ By: \_\_\_\_\_

\_\_\_\_\_  
Print Name Print Name

\_\_\_\_\_  
Title Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone Number

Deerfield School District

Tax Sheltered Annuity Plan

Salary Deferral Agreement

Employee: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I hereby authorize and direct the Deerfield School District (the "District") to withhold \$\_\_\_\_\_ from my compensation per pay period beginning on or after the \_\_\_\_\_ day of

\_\_\_\_\_, 200\_ (unless a later date is selected), and such amounts as directed by me to be withheld from compensation due me by waive of group health plan coverage. This Agreement shall be effective as of the pay period beginning three (3) weeks following the date of execution of this Agreement. The District should remit the withheld funds to the following Vendor(s). I have selected:

Amount Vendor

\$ \_\_\_\_\_  
\$ \_\_\_\_\_  
\$ \_\_\_\_\_

This Agreement is legally binding upon me and may be terminated by me only by giving notice of termination in the payroll period preceding the payroll period in which the termination is to be effective.

I understand and agree that the combined total of the deferrals under this agreement and all other deferrals to a tax sheltered annuity may not exceed \$9,500 per calendar year, or such other amount as may be limited by law, unless I am eligible for the "catch-up" election which requires that: (1) I have not deferred more than \$15,000 under the "catch-up" provisions of law; (2) I have 15 or more years of service with the District; and (3) Comply with the written election requirements of Internal Revenue Code ("Code") section 402(g)(8).

By the execution of this Agreement, I represent that:

I have not made more than one (1) other Tax Sheltered Annuity Salary Deferral Agreement during the same year as the deferral contemplated by this Agreement.

I have made an independent determination as to my desire to make these salary deferrals.

I have assessed the risk associated with such investment(s) and have determined, with such professional advise as I deemed necessary, that the product offered by the Vendor is suitable to me.

The District has no responsibility to evaluate or appraise me, now or in the future, as to the performance, status or otherwise as to the operation or viability of any product offered by the Vendor or alternative investments.

I have made an independent determination as to my deferral level after consideration of the requirements of the law.

By executing this Agreement, I hereby elect, where the general limitations of sections 403(b) and 415(c) are not satisfied, such alternative limitations as are available and necessary for me to comply with: (1) the maximum exclusion allowance, as determined under Code section 403(b)(2)(B); and (2) the annual addition limitation, as determined under Code section 415(c)(4).

I release the District from any and all claims that I may assert in the event that the product which I have chosen under this Agreement shall fail to qualify for preferential tax treatment under Code section 403(b). I understand that the District assumes no responsibility, actual or implied, with respect to the calculation of the contribution or the limits on such contributions.

Date this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Signature of Employee

For Preparation by the Vendor:

As a representative of the Vendor selected to receive salary deferrals under this Agreement, I hereby represent and warrant that the Vendor has calculated the applicable limitations on deferrals for this Employee and determined that the deferrals made by this Employee are permissible within the parameters of the law. By the execution of this Agreement, I hereby confirm and agree to be bound by, in consideration of the ability to participate as a TSA vendor at the District, the terms and conditions of the TSA Vendor Hold Harmless and Indemnification Agreement, which is incorporated herein by reference.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

By: \_\_\_\_\_

Signature of Vendor's Authorized Representative

FOR OFFICIAL USE ONLY:

Date Received: \_\_\_\_\_

Effective Date: \_\_\_\_\_

### **PURCHASING**

It is the policy of the board to make all purchases when practical on the basis of the lowest price relative to value for goods and services as specified by the board.

All vendors are invited to compete for school district business and permitted to work directly with staff and students when approved by the District Administrator or Building Principals. The Board reserves the right to pre-qualify all bidders, agents or vendors and to disqualify a vendor a vendor, or reject the lowest price if:

There is a question or doubt if the vendor or agent can meet the commitment.  
The vendor or agent has failed to meet purchase agreements in the past.  
The goods or services on the basis of previous experience or knowledge were not satisfactory.

The board desires that open competitive, purchasing practices be employed in obtaining goods and services for the district. Formal bidding procedures will be utilized only when specifically requested by the Board.

#### **Purchasing Authority**

The Board authorized the District Administrator to purchase and supervise the purchasing of all materials, goods and supplies for the school district in accordance with state law and good purchasing practices.

**DEERFIELD COMMUNITY  
SCHOOL DISTRICT**

**CODE: 672.3  
DATE OF ADOPTION: 11-17-80  
Revised: 11-19-90**

### **COOPERATIVE PURCHASING**

It is the policy of the Board of Education of this district that cooperative purchasing be employed whenever feasible. Cooperative purchasing shall be operated via CESA 2 service. The annual fee from CESA 2 for cooperative purchasing shall be paid directly by the district.

**PAYMENT PROCEDURES**

All expenditures shall be approved by the Board of Education at the regular monthly meeting. The treasurer may authorize payments for unanticipated immediate needs between meetings. Such special approvals are to be reviewed by the Board at the next regular meeting.



**FISCAL ACCOUNTING AND REPORTING**

The District Administrator shall be ultimately responsible for receiving and properly accounting for all funds of the district.

The accounting system used shall conform with requirements of the Department of Public Instruction and with good accounting practices, providing for the appropriate separation of accounts, funds, and special moneys.

The Board shall receive monthly financial statements from the District Administrator showing the financial condition of the district. Such other financial statements as may be determined necessary by either the Board or the administration shall be presented as found desirable.

The district administrator shall also be responsible for pupil accounting and shall report enrollment and attendance as required by the Department of Public Instruction.

**INVENTORIES**

The administrative staff shall be responsible for maintaining an accurate inventory of materials and equipment in the school system.

**CAPITALIZATION AND DEPRECIATION POLICY**

This capitalization and depreciation policy is established to safeguard assets, enhance accountability and provide for more accurate and uniform financial reporting in compliance with accounting principles generally accepted in the United States of America (GAAP) and GASB 34.

All fixed asset purchases in excess of \$1,000.00 for items that have a useful life of more than one year shall be capitalized.

Certain categories of assets costing less than \$1,000.00 shall be inventoried and tracked, although not in the general ledger. These items will not be depreciated.

In accordance with GAAP, assets must be depreciated over their estimated useful lives.

<b>ASSET CLASS</b>	<b>EXAMPLES</b>	<b>YEARS</b>
Computer Hardware	PC's, Printers, Network Hardware	5
Copiers		5
Carpet Replacement		7
Licensed Vehicles	Busses, Vans, Other On-Road Vehicles	8
Computer Software	Instructional, Other Short-Term	5-10
Athletic Equipment	Gymnastics, Football, Weight Machines, Mats	10
Audio Visual Equipment	Projectors, Cameras (Still & Digital)	10
Business Machines	Fax, Duplicating & Printing Equipment	10
Communications Equip.	Mobile, Portable Radios, Non-Computerized	10
Contractors Equipment	Major Off-Road Vehicles, Front-End Loaders, Large Tractors, Mobil Air Compressor	10
Musical Instruments	Pianos and Band Instruments	10
Science & Engineering	Lab Equipment, Scientific Apparatus	10
Computer Software	Administrative or Long-Term	10-20

Custodial Equipment	Floor Scrubbers, Vacuums, Other	15
Grounds Equipment	Movers, Tractors, Attachments	15
Kitchen Equipment	Appliances	15
Machinery & Tools	Shop & Maintenance Equipment, Tools	15
Furniture & Accessories	Classroom and Office Furniture	20
HVAC Systems		20
Outdoor Equipment	Playground, Radio Towers, Fuel Tanks, Pumps	20
Roofing		20
Site Improvements	Paving, Flagpoles, Retaining Walls, Sidewalks, Fencing, Outdoor Lighting, etc.	20

<b>ASSET CLASS</b>	<b>EXAMPLES</b>	<b>YEARS</b>
Interior Construction		25
Portable Classrooms		25
Sprinkler/Fire System	Fire Suppression Systems	25
Electrical/Plumbing		30
School Buildings		50

For depreciation purposes only, the salvage value of assets is estimated to be immaterial.

Therefore, assets will be depreciated at 100% of cost.

The “half-year” convention will be utilized whereby one-half of depreciation is recorded in the fiscal year of acquisition and the fiscal year of disposition.

Straight-line depreciation will be calculated for all depreciable property.

**AUDITS**

Each year, the board will open the district's books and accounts to an independent certified public accountant, who will conduct an audit in conformance with standard accounting procedures and legal requirements. The board will select the certified public accountant and pay for this audit with school district funds.

To assist the board with these functions, the superintendent will:

Place the matter of employing a certified public accountant on the board's regular meeting agenda on or before May 1 each year.

Present the completed audit to the board for examination and certify to the board that the audit conforms to the accounting system of the Department of Public Instruction.

File all copies of the audit with proper authorities as prescribed by law.

LEGAL REF.: Wis. Stat. 120.14

**SCHOOL PROPERTIES DISPOSAL PROCEDURE**

When the board determines that any real estate or instructional equipment is no longer needed for school purposes it may sell or trade-in such property in accordance with the provisions that follow:

**Sale of Property**

All property that is surplus to the needs of the district shall be disposed of in an open competitive manner. Notice of any sale shall be published in the Deerfield Independent and the sale procedures will be operated in such a manner to insure that all people have an opportunity to submit a price on any sale equipment.

**Trade-in Property**

The District Administrator will decide whether to trade-in surplus or outdated instructional equipment or to sell it in a public manner. The best interest fiscally of the district shall be the sole determinant in deciding whether to make property available for sale or to trade it in when replacing outdated equipment.

No preference shall be given to any member of the school district staff or student body in the sale or disposal of any property.

In the event that property is offered for sale and there are no takers for the property, the District Administrator shall dispose of it in a manner, which provides the most income for the district.

**LEGAL REF: Wis. Statute 120.10 (12)**