

# **BOARD OF EDUCATION POLICIES**

## **SECTION VIII**

### **BUSINESS PRACTICES**

- 800.1 FISCAL MANAGEMENT GOALS AND PRIORITY OBJECTIVES
- 800.2 BUDGET AND ACCOUNTING SYSTEM
- 800.3 BUDGET CALENDAR
- 800.4 TENTATIVE BUDGET
- 800.5 FISCAL YEAR AND ANNUAL BUDGET
- 800.6 BUDGET IMPLEMENTATION
- 800.7 STATE AND FEDERAL AID
- 800.8 REVENUES FROM INVESTMENTS
- 800.9 GRANTS OR GIFTS FROM PRIVATE SOURCES
- 800.10 ACTIVITY FUND
- 800.11 IMPREST FUND AND PETTY CASH
- 800.12 USE OF SCHOOL FACILITIES
- 800.13 INVENTORIES
- 800.14 AUDITS OF SCHOOL DISTRICT BOOKS AND ACCOUNTS
- 800.15 PURCHASING
- 800.16 PAYMENT PROCEDURES
- 800.17 CONFLICT OF INTEREST AND ENDORSEMENTS
- 800.18 PAYROLL AUTHORIZATION AND PAYDAY SCHEDULES
- 800.19 WORKERS' COMPENSATION
- 800.20 EMPLOYEE REIMBURSEMENT
- 800.21 INSURANCE
- 800.22 ILLINOIS PREVAILING WAGE ACT

## **BOARD OF EDUCATION POLICIES**

- 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN
- 800.24 INVESTMENT POLICY
- 800.25 CHARITABLE DONATIONS
- 800.26 USE OF CREDIT CARDS
- 800.27 TAX ABATEMENT
- 800.28 BAD CHECKS
- 800.30 PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS)
- 800.31 IDENTITY PROTECTION
- 800.32 EXPENSE REIMBURSEMENT POLICY

# BOARD OF EDUCATION POLICIES

## 800.1 FISCAL MANAGEMENT GOALS AND PRIORITY OBJECTIVES

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The quantity and quality of learning programs are directly dependent on the funding provided and the effective, efficient management of those funds. In the School District's fiscal management, the Board of Education endeavors to achieve the following fiscal management goals:

- A. To engage in thorough advance planning 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.
- B. To establish levels of funding which will provide high quality education for the School District's students.
- C. To use sound techniques for budget development and management.
- D. To provide timely and appropriate information to all staff with fiscal management responsibilities.
- E. To timely provide the community with appropriate information regarding the finances of the District.
- F. To establish efficient procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.

In pursuit of the foregoing fiscal management goals, the Board of Education endorses the following priority objectives:

- A. To establish by the first month of each calendar year schedules and procedures to be utilized in preparation of the budget for the upcoming fiscal year; and
- B. To establish and utilize accounting and reporting procedures to provide up-to-date monthly reports on the financial status of the School District.

# BOARD OF EDUCATION POLICIES

## 800.2 BUDGET AND ACCOUNTING SYSTEM

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The Board of Education shall establish and maintain a budget and accounting system in accordance with statutory law and the standards prescribed by the Illinois State Board of Education so as to provide the necessary information for the efficient administration of the schools in the School District.

Legal Reference(s):

105 ILCS 5/2-3.27, 5/2-3.28

Illinois Program Accounting Manual, ISBE, 23 Illinois Admin. Code Post 110

## **BOARD OF EDUCATION POLICIES**

### **800.3 BUDGET CALENDAR**

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

A budget calendar shall be prepared and presented to the Board of Education for approval on or before February 1st of each successive year. This budget calendar shall be prepared by the Assistant Superintendent of Finance, under the direction of the Superintendent, and it shall specify the intended dates by which the tentative budget and the budget process is to be completed.

## BOARD OF EDUCATION POLICIES

### 800.4 TENTATIVE BUDGET

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The Assistant Superintendent of Finance, under the direction of the Superintendent, shall prepare the annual budget in tentative form. The tentative budget shall be made available for public inspection at least thirty (30) days prior to final approval and adoption by the Board of Education. A public hearing shall be held on the tentative budget prior to final action thereon. Notice of the availability of the tentative budget for public inspection and of the public hearing thereon shall be published as required by law. At the public hearing, the budget shall be reviewed by the Assistant Superintendent of Finance and the public will be invited to ask questions or provide input on the provisions of the tentative budget.

Legal Reference(s):  
105 ILCS 5/17-1

## BOARD OF EDUCATION POLICIES

### 800.5 FISCAL YEAR AND ANNUAL BUDGET

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The fiscal year of the School District is July 1st through June 30th of each successive year. Within the first quarter of each fiscal year, the Board of Education shall adopt an annual budget which it deems necessary to defray all necessary expenses and liabilities of the School District. The annual budget shall be prepared as required by law and entered upon the School District budget form as prepared and provided by the Illinois State Board of Education. The budget shall be filed with Illinois State Board of Education and County Clerk within 30 days of adoption.

Upon adoption, the annual budget shall be posted on the District's website. Notice of the posting of the budget shall be given to parents and guardians of students along with the District's website address. The method of giving this notice shall be as established by the Superintendent.

Legal Reference(s):  
105 ILCS 5/17-1, 5/17-1.2  
35 ILCS 200/18-50

# BOARD OF EDUCATION POLICIES

## 800.6 BUDGET IMPLEMENTATION

*Adopted: June 14, 1990  
Revised: December 6, 2007  
Reviewed: August 2015*

The Board of Education places the responsibility for administering the operating budget, once adopted, with the Assistant Superintendent of Finance, under the direction and control of the Superintendent. The Superintendent and administrative employees of the School District under his or her direction are authorized to execute and implement the educational programs and/or activities as provided for in the budget, subject, however, to continuous review by the Board of Education. All expenditures and purchases are to be in accordance with law and the applicable policies of the Board of Education.

The Board of Education may from time to time, by resolution, make transfers between items in any one fund provided that all such transfers shall not exceed in the aggregate 10% of the total of the fund.

The Board may amend the budget as it may deem necessary by the same procedures used to adopt the original budget:

1. place tentative budget on display for 30 days;
2. publish notice of and conduct a public hearing; and
3. adoption, filing, and posting the amended budget on the District's website.

As permitted by law, the Board may, by resolution, make a permanent transfer among certain operating funds. Prior to any such transfer a public hearing shall be conducted or provided by law.

Legal Reference(s):  
105 ILCS 5/17-1, 5/17-2a



## BOARD OF EDUCATION POLICIES

### 800.7 STATE AND FEDERAL AID

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The administration, under the guidance of the Superintendent, shall keep the Board of Education informed of possible sources of state, federal, and other funds for the support of the school and/or for the enhancement of educational opportunities in the School District. The Superintendent is to inform the Board of Education of its eligibility for general or program funds and to make recommendations for Board of Education action.

The Board of Education regards the revenue to the School District from local sources and from federal and state aid, as a public trust and in the same manner, as revenue from local taxes. Federal and state aid and grants shall be used in accordance with any applicable law and rules and regulations to better the educational system. These funds will be appropriately budgeted, in accordance with the Illinois Procedural Accounting Manual, and accounted for with as much care as are all other school funds.

No Federal funds received by the District shall be used:

- (1) to develop or distribute materials, or operate programs or courses of instruction directed at youth, that are designed to promote or encourage sexual activity, whether homosexual or heterosexual;
- (2) to distribute or to aid in the distribution by any organization of legally obscene materials to minors on school grounds;
- (3) to provide sex education or HIV-prevention education in schools unless that instruction is age appropriate and includes the health benefits of abstinence; or
- (4) to operate a program of contraception distribution in schools.

Legal Reference(s):  
20 USC §7906

## BOARD OF EDUCATION POLICIES

### 800.8 REVENUES FROM INVESTMENTS

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

When there is a substantial fund cash balance in any one or more funds in excess of expected monthly cash needs, the Assistant Superintendent of Finance shall invest such cash balance(s), in conformance with Illinois school law governing the investments of school funds. The Assistant Superintendent of Finance shall from time to time report to the Board of Education the earned interest on investments and shall otherwise provide the Board of Education with a reconciliation as to the placement of such earned interest in the funds of the District.

## **BOARD OF EDUCATION POLICIES**

### **800.9 GRANTS OR GIFTS FROM PRIVATE SOURCES**

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The Board of Education encourages the development of proposals to private foundations and other sources of financial aid for subsidizing school related activities. The Board of Education may accept gifts from private sources in accordance with applicable law.

Legal Reference(s):  
105 ILCS 5/16-1

## BOARD OF EDUCATION POLICIES

### 800.10 ACTIVITY FUND

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

Building Principals are responsible for the administration and supervision of all phases of student activities, and shall cause to be forwarded to the duly authorized custodian of the activity fund, all receipts, with timely and accurate reports of current receipts and disbursements.

The custodian of the activity fund shall be bonded in an amount equal to approximately twice the amount normally handled at any one time.

Student activity funds are those owned, operated and managed by organizations, clubs or associations within student groups. Student activity funds must be approved by the Board of Education. Student activity fund records shall be reported to the Board of Education quarterly and shall be maintained and audited annually by an independent licensed Certified Public Accountant in accordance with the regulations of the Illinois State Board of Education. The Assistant Superintendent of Finance, under the direction of the Superintendent, shall establish administrative procedures for student activity funds.

Convenience accounts are funds maintained by the District at the request of and for the convenience of faculty, staff, faculty-parent organizations or similar non-student groups. Any such convenience account shall have a designated manager. Convenience accounts must be approved by the Board.

The Assistant Superintendent of Finance shall be the treasurer of all activity funds.

Legal Reference(s):  
105 ILCS 5/10-20.19  
23 IL Admin. Code Post 125

## BOARD OF EDUCATION POLICIES

### 800.11 IMPREST FUND AND PETTY CASH

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*  
*Revised: February 15, 2018*

The Board of Education recognizes the need of the School District's administrative offices to have ready access to relatively small amounts of money to pay for small emergency purchases, advance fees, delivery charges, change-making and other minor type transactions that because of timing or emergency cannot be paid through the regular disbursement procedure of the District.

The Board of Education shall authorize the amount of five thousand dollars (\$5,000.00) or such other amount as may be designated by the Board to be used for imprest checks and petty cash system (Imprest Fund). The Director of Business Services (who shall be bonded for at least twice the amount of monies of which the employee(s) has custody, and who shall be responsible to the Board of Education) shall be the custodian of said Imprest Fund.

All records and accounts shall be kept in accordance with regulations prescribed by the Illinois State Board of Education, and shall be audited annually by an independent licensed Certified Public Accountant.

All imprest checks shall be completely itemized as to who was paid, for what purpose, and against what budgetary item the expenditure is chargeable. All checks must be directly related to the purposes to which the fund was established and supported with documentation such as signed invoices and receipts. No check shall be issued without presentation of pre-approved documentation for the expenditure, and the record for each check written shall include the expense account code or sufficient descriptive information.

In order to facilitate refunds and minor purchases, the Imprest Fund custodian shall establish small petty cash funds in each school, curriculum, special services, and the Administrative Center.

The Imprest Fund Custodian shall approve the amount of each petty cash fund, currently \$150, and may require the imposition of such controls as he/she deems

## BOARD OF EDUCATION POLICIES

### 800.11 IMPREST FUND AND PETTY CASH

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*  
*Revised: February 15, 2018*

necessary to prevent abuse of such funds. The Building Principal shall be the custodian of the building petty cash fund.

Each custodian of a petty cash fund shall ensure that the funds in his/her care shall be disbursed only for minor expenditures not readily deferred. No petty cash fund may be used to circumvent the purchasing procedures required by law and the policies of the Board. A request for petty cash funds must be made in writing, be signed by the person making the request, and include such supporting documentation as may be appropriate. The petty cash box must be secured daily.

The custodian of each petty cash fund shall prepare an itemized schedule of disbursement when the funds available in petty cash have declined to twenty-five percent (25%) or less of the full amount authorized. The custodian shall submit the schedule to the Imprest Fund Custodian with a voucher requesting replenishment in like amount.

At each scheduled monthly Board of Education meeting, the Imprest Fund Custodian shall seek reimbursement for the month's disbursement of imprest checks and petty cash. The check written for this reimbursement shall be included on the school board's monthly listing of bills, charging the appropriate expenditure accounts and indicating the recipient and explanation for each imprest fund check that was issued.

Legal Reference(s):  
105 ILCS 5/10-20.19; 23 Ill. Admin. Code 100.70

## BOARD OF EDUCATION POLICIES

### 800.12 USE OF SCHOOL FACILITIES

*Adopted: June 14, 1990  
Revised: October 20, 2011  
Reviewed: August 2015*

The Board of Education desires to cooperate with other units of local government and community groups by allowing the temporary use of school facilities when they are not needed for School District purposes and when so doing will not be in conflict with any educational program or activity. The Superintendent shall establish administrative procedures for the implementation of this policy which shall include a schedule of rent and/or service charges and such other provisions as deemed appropriate to protect the interests of the School District, including the use of automatic external defibrillators (AED).

Use of facilities by community organizations will be prohibited if it would interfere with any school function or the safety of students or school personnel or affect the property or liability insurance of the District.

Legal Reference(s):  
105 ILCS 5/10-20.41

## BOARD OF EDUCATION POLICIES

### 800.13 INVENTORIES

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The Assistant Superintendent of Finance shall be responsible for maintaining an accurate inventory of all properties, materials, equipment, and furniture in the school system.

Building Principals of individual schools shall make reports on textbooks held and used in the school, with a separate inventory of those textbooks which are loaned to students free of charge.



## **BOARD OF EDUCATION POLICIES**

### **800.14 AUDITS OF SCHOOL DISTRICT BOOKS AND ACCOUNTS**

*Adopted: June 14, 1990*

*Reviewed: August 2015*

The official books and accounts of the School District shall be audited by an independent licensed Certified Public Accountant in conformance with the prescribed standards and legal requirements. The audit and the annual financial report, when completed, shall be presented to the Board of Education for examination, and copies shall be filed with the proper authorities as may be required by law and any applicable agency rules and regulations.

Legal Reference(s):  
105 ILCS 5/3-7

# BOARD OF EDUCATION POLICIES

## 800.15 PURCHASING

*Adopted: June 14, 1990  
Revised: December 6, 2007  
Reviewed: August 2015*

The function of the Purchasing Office is to serve the educational program by providing the necessary supplies, equipment, and services. The Board of Education declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. The Assistant Superintendent of Finance, under the direction of the Superintendent, shall establish administrative procedures for purchasing to implement this policy. In the interests of economy and efficiency, the Board requires that items commonly used in the schools be standardized wherever consistency with educational goals can be maintained.

Purchases not required by law to be awarded through competitive bidding shall be made in the following manner: (1) the administration shall be authorized to purchase any item provided that the item is within the limits of the budget; (2) for purchases in an amount of \$5,000 or more the administration shall seek to obtain at least two competitive quotes; and (3) any non-bid contract for a purchase within the limits of the budget but at a cost of \$50,000 or more shall obtain prior Board approval.

For purchases required by law to be awarded through competitive bidding, such contracts shall be awarded to the lowest responsible bidder, after due advertisement, in accordance with the requirements of the School Code and all other applicable law.

Consideration will be given to the following:

1. the quality and serviceability of the item(s) to be supplied;
2. its conformity with specifications;
3. suitability to the requirements of the District;
4. delivery terms;
5. past performance of the vendor;
6. financial status of the bidder;
7. bidder's reputation for performance

The Board reserves the right to reject any and all bids.

## BOARD OF EDUCATION POLICIES

### 800.15 PURCHASING

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The acquisition of services, equipment, and supplies is centralized in the purchasing department, which functions under the supervision of the Assistant Superintendent of Finance as Purchasing Agent, and through whose office all purchasing transactions are conducted. All purchase orders are to be committed against a specific line item in the budget. Any acquisition of personal property by lease or lease with option to purchase must be approved by an affirmative vote of 2/3 of the members of the Board.

Legal Reference(s):  
105 ILCS 5/10-20.21; 5/10-22.25a

## BOARD OF EDUCATION POLICIES

### 800.16 PAYMENT PROCEDURES

*Adopted: June 14, 1990  
Revised: December 6, 2007  
Reviewed: August 2015*

All suppliers must render proper invoices to the School District's business office, in duplicate, for any materials, supplies, services, or equipment delivered to the school. Any invoice to be submitted for approval for payment must:

- A. Contain a description and price of the item(s) specified on the purchase order, less any allowed discounts;
- B. Be accompanied by the original receiving copy of the purchase order, packing slip, or other form used to receipt delivery, bearing the signature of the receiver that the item has been received in a satisfactory condition and in the quantity indicated; and
- C. Be approved for payment by the Superintendent/Assistant Superintendent of Finance.

The School District shall comply with the provisions of the Illinois Prompt Payment Act.

Legal Reference(s):  
50 ILCS 505/1 et.seq.

## BOARD OF EDUCATION POLICIES

### 800.17 CONFLICT OF INTEREST AND ENDORSEMENTS

*Adopted: June 14, 1990*  
*Revised: October 17, 2011*  
*Reviewed: August 2015*

The School District shall not purchase supplies or materials from a staff member of the School District, nor from a member of the household of the staff member. Board members shall not be interested in any contract, work, or business of the District except as allowed by applicable law.

Employees of the School District shall not endorse products or services in such a manner that will identify him or her as a representative of the School District.

Legal Reference(s):  
105 ILCS 5/10-9

## BOARD OF EDUCATION POLICIES

### 800.18 PAYROLL AUTHORIZATION AND PAYDAY SCHEDULES

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The most substantial payment of public funds for the operation of the School District is that which is made to the employees of the Board of Education for services rendered. To ensure that each person so compensated is validly employed by this District, employment of all District personnel whether by the year, term, month, week, day, or hour in contract, temporary, or as a substitute, must be approved by the Board except day by day substitutes employed to fill a short term absence of a District employee.

Each motion of the Board to employ or reemploy a staff member shall include the name of the individual, the position title, and the compensation to be paid as prescribed in a negotiated, collective-bargained agreement, or determined by a wage guideline.

All personnel employed regularly, either full-time or part-time, shall be paid according to a specific schedule as determined from time to time and published for circulation to all employees.

Personnel entitled to and receiving extra pay as sponsors of special and/or extracurricular activities shall receive this extra pay following the close of the activity, and further, after the sponsor has submitted, in writing, a full report of the activity, including evaluation of same, with recommendations continuing, revising, or dropping the program in the year ahead.

Internal substitute pay due shall be paid on the date of the next payday following submission of an approved report of the substituting regular teacher. To the extent that any provision of this policy is in direct conflict with a provision or provisions of any applicable collective bargaining agreement, the provisions of the collective bargaining agreement shall control.

The adoption of wage and salary schedules or their approval as part of a collective bargaining agreement and the employment of personnel, shall serve to authorize their payment pursuant to regular payroll procedures.

Legal Reference(s):  
105 ILCS 5/10-20.7 5/10-21.1; 5/10-22.23; 5/10-23.5

## BOARD OF EDUCATION POLICIES

### 800.19 WORKERS' COMPENSATION

*Adopted: June 14, 1990*

*Revised: July 20, 1995*

*Reviewed: August 2015*

Kirby School District 140 participates in the Workers' Compensation Program of Illinois. Workers' Compensation is a system of benefits provided by law to most workers who have job-related injuries or diseases. The "Notice To Employees From the State of Illinois" is posted in the workplace.

Because prompt medical care may be essential to the employee's maximum recovery, the employee should seek medical attention immediately after the injury. The employee must promptly inform the building administrator.

The Superintendent or his or her designee shall prepare administrative procedures for the implementation of this policy.

## BOARD OF EDUCATION POLICIES

### 800.20 EMPLOYEE REIMBURSEMENT

*Adopted: June 14, 1990*

*Reviewed: August 2015*

*Revised: October, 2017*

Employees who are required or permitted to attend conferences, workshops, or other professional activities related to their duties may, with prior approval of the Superintendent, be reimbursed for reasonable expenses incurred in such attendance.

Money shall not be advanced or reimbursed, or purchase orders issued for: (1) the expenses of any person except the employee, (2) anyone's personal expenses, or (3) entertainment expenses. Entertainment includes, but is not limited to, shows, amusements, theaters, circuses, sporting events, or any other place or public or private entertainment or amusement, unless the entertainment is ancillary to the purpose of the program or event.

The employee must submit an itemized verified expense voucher showing the amount of actual expenses with receipts attached where possible. If the actual and necessary expenses exceed the amount advanced, the member shall be reimbursed for the amount not advanced when an emergency or other extraordinary circumstances exists and the request is approved by a roll call votes at an open Board meeting. To the extent that any provision of this policy directly conflicts with a provision or provisions of an applicable collective bargaining agreement, the provision or provisions of the collective bargaining agreement shall control.



## BOARD OF EDUCATION POLICIES

### 800.21 INSURANCE

*Adopted: June 14, 1990  
Revised: August 21, 2014  
Reviewed: August 2015*

The Superintendent shall annually recommend and maintain all insurance programs that provide the broadest and most complete coverage available at the most economical cost, consistent with sound insurance principles.

The insurance program shall include:

1. Liability coverage to insure against any loss or liability of the School District and the listed individuals against civil rights damage claims and suits, constitutional rights damage claims and suits, and death and bodily injury and property damage claims and suits, including defense costs, when damages are sought for negligent or wrongful acts allegedly committed in the scope of employment or under the Board's direction or related to any mentoring services provided to the District's certified staff members; Board members; employees; volunteer personnel authorized by 105 ILCS 5/10-22.34, 5/10-22.34a, and 5/10-22.34b; mentors of certified staff members authorized in 105 ILCS 5/21A-5 et seq. (new teacher), 105 ILCS 5/2-3.53a (new principal), and 2-3.53b (new superintendents); and student teachers.
2. Comprehensive property insurance covering a broad range of causes of loss involving building and personal property. The coverage amount shall normally be for the replacement cost or the insurable value.
3. Workers' Compensation to protect individual employees against financial loss in case of a work-related injury, certain types of disease, or death incurred in an employee-related situation.
4. Employee insurance programs.

#### **Legal Reference(s)**

Consolidated Omnibus Budget Reconciliation Act, P. L. 99-272, ¶ 1001, 100 Stat. 222, 4980B(f) of the I.R.S. Code, 42 U.S.C. §300bb-1 et seq.  
105 ILCS 5/10-20.20, 5/10-22.3, 5/10-22.3a, 5/10-22.3b, 5/10-22.3f, 5/10-22.34, 5/10-22.34a, and 5/10-22.34b.  
215 ILCS 5/.; 750 ILCS 75/.; 820 ILCS 305/.

## BOARD OF EDUCATION POLICIES

### 800.22 ILLINOIS PREVAILING WAGE ACT

*Adopted: June 14, 1990*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

The School District shall comply with the provisions of The Illinois Prevailing Wage Act ("Act"). As required by said Act, the Board of Education shall annually adopt a resolution determining the prevailing wage rates for public work projects. Should such a resolution not be adopted, the prevailing wage rates for public works projects shall be those determined by the Department of Labor for Cook County, Illinois.

Pursuant to the provision of section 5 of the Act, the District will maintain the certified payroll documents submitted to it by any contractor for a period of not less than five (5) years.

Legal Reference(s):  
820 ILCS 130/1 et.seq.

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

1. **Purpose.** It is the purpose of this policy to establish that all units of local government and school districts are required to adopt an ordinance or resolution regulating the political activities of, and the solicitation and acceptance of gifts by, their respective officers and employees, “in a manner no less restrictive” than the provisions of the State Officials and Employees Ethics Act.

2. **Definitions.** The following terms shall be given these definitions:  
“Campaign for elective office” means any activity in furtherance an effort to influence the selection, nomination, election or appointment of any individual to any federal, State, or local public office or office in a political organization, or the selection, nomination, or election of Presidential or Vice-Presidential electors, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person’s official duties.

“Candidate” means a person who has filed nominating papers or petitions for nomination or election to an elected office, or who has been appointed to fill a vacancy in nomination, and who remains eligible for placement on the ballot at a regular election, as defined Section 1-3 of the Election Code (10 ILCS 5/1-3).

“Collective bargaining” has the same meaning as that term is defined in Section 3 of the Illinois Public Labor Relations Act (5 ILCS 315/3).

“Compensated time” means, with respect to an employee, any time worked by or credited to the employee that counts toward any minimum work time requirement imposed as a condition of his or her employment, but for purposes of this policy, does not include any designated holidays, vacation periods, personal time, compensatory time off or any period when the employee is on a leave of absence. With respect to officers or employees whose hours are not fixed, “compensated time” includes any period of time when the officer is on premises under the control of the employer and any other time when the officer or employee is executing his or her official duties, regardless

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

of location.

“Compensatory time off” means authorized time off earned by or awarded to an employee to compensate in whole or in part for time worked in excess of the minimum work time required of that employee as a condition of his or her employment.

“Contribution” has the same meaning as that term is defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4).

“Employee” means a person employed by the Board of Education, whether on a fulltime or part-time basis or pursuant to a contract, whose duties are subject to the direction and control of the employer with regard to the material details of how the work is to be performed, but does not include an independent contractor.

“Employer” means the Board of Education of School District No. 140, Cook County, Illinois.

“Gift” means any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to government employment or the official position of an officer or employee.

“Leave of Absence” means any period during which an employee does not receive (i) compensation for employment, (ii) service credit towards pension benefits, and (iii) health insurance benefits paid for by the employer.

“Officer” means a person who holds, by election or appointment, an office created by statute, regardless of whether the officer is compensated for service in his or her official capacity.

“Political activity” means any activity in support of or in connection with any campaign for elective office or any political organization, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person’s official duties.

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

“Political organization” means a party, committee, association, fund, or other organization (whether or not incorporated) that is required to file a statement of organization with the State Board of Elections or a county clerk under Section 9-3 of the Election Code (10 ILCS 5/9-3), but only with regard to those activities that require filing with the State Board of Elections or a county clerk.

“Prohibited political activity” means:

- 1) Preparing for, organizing, or participating in any political meeting, political rally, political demonstration, or other political event.
- 2) Soliciting contributions, including but not limited to the purchase of, selling, distributing, or receiving payment for tickets for any political fundraiser, political meeting, or other political event.
- 3) Soliciting, planning the solicitation of, or preparing any document or report regarding anything of value intended as a campaign contribution.
- 4) Planning, conducting, or participating in a public opinion poll in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.
- 5) Surveying or gathering information from potential or actual voters in an election to determine probable vote outcome in connection with a campaign for elective office or on behalf of a political organization for political purposes or for against any referendum question.
- 6) Assisting at the polls on Election Day on behalf of any political organization or candidate for elective office or for or against any referendum question.
- 7) Soliciting votes on behalf of a candidate for elective office or a political organization or for or against any referendum question or helping in an effort to get voters to the polls.

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

- 8) Initiating for circulation, preparing, circulating, reviewing, or filing any petition on behalf of a candidate for elective office or for or against any referendum question.
- 9) Making contributions on behalf of any candidate for elective office in that capacity or in connection with a campaign for elective office.
- 10) Preparing or reviewing responses to candidate questionnaires.
- 11) Distributing, preparing for distribution, or mailing campaign literature, campaign signs, or other campaign material on behalf of any candidate for elective office or for or against any referendum question.
- 12) Campaigning for any elective office or for or against any referendum question.
- 13) Managing or working on a campaign for elective office or for or against any referendum question.
- 14) Serving as a delegate, alternate, or proxy to a political party convention.
- 15) Participating in any recount or challenge to the outcome of any election.

“Prohibited source” means any person or entity who:

- 1) is seeking official action (i) by an officer or (ii) by an employee, or by the officer or another employee directing that employee;
- 2) does business or seeks to do business (i) with the officer or (ii) with an employee, or with the officer or another employee directing that employee;
- 3) conducts activities regulated (i) by the officer or (ii) by an employee, or by the officer or another employee directing that employee; or
- 4) has interests that may be substantially affected by the performance or non-performance of the official duties of the officer or employee.

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

#### 3. **Prohibited Political Activities.**

1) No officer or employee shall intentionally perform any prohibited political activity during any compensated time, as defined herein. No officer or employee shall intentionally use any property or resources of the Board of Education in connection with any prohibited political activity.

2) At no time shall any officer or employee intentionally require any other officer or employee to perform any prohibited political activity (i) as part of that officer or employee's duties, (ii) as a condition of employment, or (iii) during any compensated time off (such as holidays, vacation or personal time off).

3) No officer or employee shall be required at any time to participate in any prohibited political activity in consideration for that officer or employee being awarded additional compensation or any benefit, whether in the form of a salary adjustment, bonus, compensatory time off, continued employment or otherwise, nor shall any officer or employee be awarded additional compensation or any benefit in consideration for his or her participating in any prohibited political activity.

4) Nothing in this Section prohibits activities that are permissible for an officer or employee to engage in as part of his or her official duties, or activities that are undertaken by an officer or employee on a voluntary basis which are not prohibited by this Policy.

5) No person either (i) in a position that is subject to recognized merit principles of public employment or (ii) in a position the salary for which is paid in whole or in part by federal funds and that is subject to the Federal Standards for a Merit System of Personnel Administration applicable to grant-in-aid programs, shall be denied or deprived of employment or tenure solely because he or she is a member or an officer of a political

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

committee, of a political party, or of a political organization or club.

4. **Gift Ban.** Except as permitted by this Article, no officer or employee, and no spouse of or immediate family member living with any officer or employee (collectively referred to herein as “recipients”), shall intentionally solicit or accept any gift from any prohibited source, as defined herein, or which is otherwise prohibited by law or policy. No prohibited source shall intentionally offer or take a gift that violates this Section.

Exceptions to the above are as follows:

- 1) Opportunities, benefits, and services that are available on the same conditions as for the general public.
- 2) Anything for which the officer or employee, or his or her spouse or immediate family member, pays the fair market value.
- 3) Any (i) contribution that is lawfully made under the Election Code or (ii) activities associated with a fundraising event in support of a political organization or candidate.
- 4) Educational materials and missions.
- 5) Travel expenses for a meeting to discuss business.
- 6) A gift from a relative, meaning those people related to the individual as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, and including the father, mother, grandfather, or grandmother of the individual’s spouse and the individual’s fiancé or fiancée.
- 7) Anything provided by an individual on the basis of a personal friendship unless the recipient has reason to believe that, under the



## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

circumstances, the gift was provided because of the official position or employment of the recipient or his or her spouse or immediate family member and not because of the personal friendship. In determining whether a gift is provided on the basis of personal friendship, the recipient shall consider the circumstances under which the gift was offered, such as: (i) the history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between those individuals; (ii) whether to the actual knowledge of the recipient the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iii) whether to the actual knowledge of the recipient the individual who gave the gift also at the same time gave the same or similar gifts to other officers or employees, or their spouses or immediate family members.

8) Food or refreshments not exceeding \$75 per person in value on a single calendar day; provided that the food or refreshments are (i) consumed on the premises from which they were purchased or prepared or (ii) catered. For the purposes of this Section, "catered" means food or refreshments that are purchased ready to consume which are delivered by any means.

9) Food, refreshments, lodging, transportation, and other benefits resulting from outside business or employment activities (or outside activities that are not connected to the official duties of an officer or employee), if the benefits have not been offered or enhanced because of the official position or employment of the officer or employee, and are customarily provided to others in similar circumstances.

10) Intra-governmental and inter-governmental gifts. For the purpose of this Act, "intra-governmental gift" means any gift given-to an officer or

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

employee from another officer or employee, and “inter-governmental gift” means any gift given to an officer or employee by an officer or employee of another governmental entity.

- 11) Bequests, inheritances, and other transfers at death.
- 12) Any item or items from any one prohibited source during any calendar year having a cumulative total value of less than \$100.

Each of the exceptions listed in this Section is mutually exclusive and independent of every other.

4.1 **Disposition of gifts.** An officer or employee, his or her spouse or an immediate family member living with the officer or employee, does not violate this Policy if the recipient promptly takes reasonable action to return a gift from a prohibited source to its source or gives the gift or an amount equal to its value to an appropriate charity that is exempt from income taxation under Section 501 (c)(3) of the Internal Revenue Code of 1986, as now or hereafter amended, renumbered, or succeeded.

5. **Enforcement and Penalties.** Any alleged violations of this Policy shall be referred to the States’ Attorney.

The penalties for violations of this Policy shall be those as determined applicable and provided by law. In addition, any employee who violates this Policy shall be subject to appropriate discipline by the Board up to dismissal.

6. **Automatic Repeal.** If the Illinois Supreme Court declares the Act unconstitutional in its entirety, then the policy set forth above in Section 1 of this Resolution shall be repealed as of the date that the Illinois Supreme Court’s decision becomes final and not subject to any further appeals or rehearings. The Policy shall be deemed repealed without further action by the Board of Education if the Act is found unconstitutional by the Illinois Supreme Court.

If the Illinois Supreme Court declares part of the Act unconstitutional but upholds

## BOARD OF EDUCATION POLICIES

### 800.23 ETHICS: POLITICAL ACTIVITY AND GIFT BAN

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

the constitutionality of the remainder of the Act, or does not address the remainder of the Act, then the remainder of the Act as adopted by the policy set forth above in Section 1 of this Resolution shall remain in full force and effect; however, that part of the policy relating to that part of the Act found unconstitutional shall be deemed repealed without further action by the Board of Education.

Legal Reference(s):  
5 ILCS 430/1-1 et. seq.

# BOARD OF EDUCATION POLICIES

## 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

In accordance with the requirements of the Public Funds Investment Act, all funds of the District are to be invested in a manner which will provide the highest investment return using authorized investments, with maximum investment security, while meeting the District's daily cash flow demands and conforming to all State statutes governing the investment of public funds.

**INVESTMENT GUIDELINES.** The primary objective in the investment of District funds is to ensure the safety of principal, while managing liquidity to pay the financial obligations of the District, and providing the highest investment return using authorized instruments.

**SAFETY.** The safety of principal is the foremost objective of the investment program. District investments shall be undertaken in a manner which seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification, as defined in this Policy, is required to ensure that the District prudently manages market, interest rate and credit risk.

**LIQUIDITY.** The investment portfolio shall remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably projected.

**RETURN ON INVESTMENT.** The investment portfolio shall be designed to seek the highest available return, taking into account the District's investment risk constraints and cash flow needs and the District's desire to promote fiscal responsibility. The portfolio shall seek to obtain the highest investment return using authorized investments during budgetary and economic cycles.

**PERIODIC REVIEW OF INVESTMENT PORTFOLIO.** The School Treasurer shall make a periodic review, not less frequently than weekly, of the District's investment portfolio, its effectiveness in meeting the District's needs for safety, liquidity, rate of return, and diversification, and the general performance of such portfolio. The School Treasurer shall report to the Board of Education of the District on an "as needed" basis, and shall report to the Board of Education at least quarterly.

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

**PRUDENCE.** Investments shall be made with the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable preservation of their capital as well as the probable income to be derived. This “prudent person” standard shall be used by School Treasurer and shall be followed in making investments for the District and in managing those investments.

**ETHICS AND CONFLICTS OF INTEREST.** The School Treasurer and employees in policy-making positions shall refrain from personal business activity that could conflict or give the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Such individuals shall disclose to the District any material financial interests in financial institutions which conduct business with the District, and they shall further disclose any personal financial investment positions that could be related to the performance of the District’s investment portfolio. In addition, such individuals shall subordinate their personal investment transactions to those of the District’s investment portfolio, particularly with regard to the time of purchases and sales.

No person acting as School Treasurer or other financial officer for the District, may do any of the following:

1. have any interest, directly or indirectly, in any investment in which the District is authorized to invest.
2. have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments
3. receive, in any manner, compensation of any kind from any investments in which the District is authorized to invest.

Nothing contained in this Section shall preclude the District from making a deposit of moneys or investments in, engaging in other financial transactions with, or receiving services from a financial institution or an authorized broker/dealer, regardless

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

of whether any person acting as School Treasurer of the District or as an other financial officer or agent for the District is interested in such financial institution or broker/dealer, provided, however, that such person is interested in such financial institution or broker/dealer solely as a clerk or other clerical employee and holds less than ½% of the total ownership interest in such financial institution or authorized broker/dealer, and , provided further, that such interested person must (a) publicly state the nature and extent of his/her employment interest and his or her ownership interest during any deliberations concerning any proposed transaction with such financial institution or authorized broker/dealer, and (b) not participate in any further deliberations concerning the proposed transaction.

Nothing contained in this Section shall preclude the District from making a deposit of moneys or investments in any authorized investment listed below, regardless of whether any person acting as School Treasurer of the District or as an other financial officer or agent for the District has deposited or invested his/her personal moneys or assets in such authorized investment, provided, however that the amount of such person's personal deposit or investment in such authorized investment is less than 1% of the total outstanding deposits or investments therein.

**AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS.** The School Treasurer shall utilize the School Treasurer's or District's approved list of financial institutions when selecting institutions to provide investment services. No public deposit shall be made except as authorized by the Illinois Public Funds Investment Act (30 ILCS 235/0.01 et seq.).

In addition, a list shall be maintained of approved security broker/ dealers selected according to their creditworthiness, and their financial efficiency in serving the District, which shall be measured in terms of the location of the broker/dealer's corporate office, the number of full-time employees, the size of its payroll, and the extent to which the broker/dealer has an economic value to the District. The list may

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

include “primary “ dealers or regional dealers which qualify under Securities and Exchange Commission rule 240.15c3-1 (Net Capital Requirements for Brokers or Dealers).

All financial institutions and broker/dealers who want to qualify to bid for investment transactions must initially, and on a periodic basis upon request, provide to the School Treasurer or other District authorized investment officers the following where applicable.

- a) Audited financial statements;
- b) Proof of minority/female/disabled broker status;
- c) A trading resolution;
- d) Proof of State of Illinois registration;
- e) Completed Broker/Dealer Questionnaire;
- f) Certification of notice and knowledge of the District’s Investment Policy
- g) Published reports for brokers from rating agencies with investment grade ratings;
- h) Proof of emerging broker status; and
- i) Consolidated Reports of Condition and Income.

An annual review of the financial condition and registration of qualified bidders will be conducted by the District’s School Treasurer. More frequent reviews may be conducted if warranted.

A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the School Treasurer establishes a depository, trading, or safekeeping relationship. Qualified bidders shall submit annual audited financials statements and shall submit financial statements when a material change occurs in the financial condition or registration of qualified bidders.

**AUTHORIZED AND SUITABLE INVESTMENTS.** As of the effective date of this

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

Policy, the list of authorized investments shall include the following as authorized by Section 2 of the Public Funds Investment Act (30 ILCS 235/2):

a) Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, that are guaranteed by the full faith and credit of the United States of America as to principal and interest;

b) Bonds, notes, debentures or other similar obligations of the United States of America, or its agencies;

For purposes of this Policy, the term "agencies of United States of America" includes (i) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto; and (ii) the federal home loan banks and the Federal Home Loan Mortgage Corporation; and any other agency created by Act of Congress.

c) Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1 et seq.), provided, however, that such investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation;

d) Short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services (one of which must be Standard & Poor's or Moody's) and which mature not later than 180 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations, and (iii) no more than one-third of the District's funds are invested in short-term obligations of corporations;



## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

- e) Money market mutual funds registered under the Investment Company Act of 1940 (15 U.S.C.A. § 80a-1 et seq.), provided that the portfolio of the money market mutual fund is limited to obligations described in Section 2(a)(1) and (2) of the Public Funds Investment Act (30 ILCS 235/2(a)(1) and (2));
- f) Short term discount obligations of the Federal National Mortgage Association (established by or under the National Housing Act (1201 U.S.C. 1701 et seq.)), or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of Illinois or any other State or under the laws of the United States, provided, however, that the shares or investment certificates of such savings banks or savings and loan associations are insured by the Federal Deposit Insurance Corporation;
- g) Dividend-bearing share accounts, share certificate accounts, or class of share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States; provided, however, the principal office of the credit union must be located within the State of Illinois; and, provided further, that such investments may be made only in those credit unions the accounts of which are insured by applicable law.
- h) The Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act (15 ILCS 505/17) or in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company, or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.
- i) Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 (15 U.S.C.A. § 780-5) subject to the provisions of that Act and the regulations issued thereunder, provided, however, that such government securities, unless registered or inscribed in the name of the District, shall be purchased through banks or trust companies

# BOARD OF EDUCATION POLICIES

## 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

authorized to do business in the State of Illinois; and such other repurchase agreements as are authorized in subsection (h) of Section 2 of the Public Funds Investment Act (30 ILCS 235/2). Repurchase agreements may be executed only with approved financial institutions or broker/dealers meeting the District's established standards, which shall include mutual execution of a Master Repurchase Agreement adopted by the District.

j) Interest bearing bonds of any local government.

**INVESTMENT RESTRICTIONS** Collateralization will be required above depository insured amounts on two (2) types of District investments:

a) Deposit Collateralization: Collateral securities approved by the District with a market value equal to at least 10% of deposits in excess of \$100,000 per institution shall be required. The collateral shall be marked to market and adjusted, if necessary, to the 110% level on at least a weekly basis. Insured certificates of deposit, share certificates, surety bonds and letters of credit with a value of at least 102% of deposits in excess of \$100,000 per institution shall be required.

b) Repurchase Agreement Collateralization: Direct treasury securities with a market value equal to at least 102% of the value of the repurchase agreement shall be maintained at all times. Repurchase agreement collateral shall be marked to market at the time of execution, and daily thereafter.

**DIVERSIFICATION.** The investment portfolio shall be diversified to eliminate the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer or a specific class of securities. In order to properly manage any risk attendant to the investment of District assets, the portfolio shall not exceed the following diversification limits unless specifically authorized by the District:

a) The School Treasurer shall seek to achieve diversification in the portfolio by distributing investments among financial institutions, issuers and

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

broker/dealers;

- b) The investment portfolio shall at no time hold time deposits constituting more than 10% of any single financial institution's total deposits;
- c) No investment category set forth in this Policy shall exceed 40% of the District's portfolio, with the exception of cash equivalents and treasury securities as defined above in "Authorized and Suitable Investments"; and
- d) The School Treasurer shall invest the majority of District funds in authorized investments of less than one (1) year maturity. No investment shall exceed two (2) years maturity.

**SAFEKEEPING AND CUSTODY.** All security transactions entered into by the School Treasurer shall be conducted on a delivery-versus-payment (DVP) or receipt-versus-payment (RVP) basis. Securities shall be held by a safekeeping agent designated by the School Treasurer and evidenced by safekeeping receipts.

**INTERNAL CONTROLS.** The School Treasurer shall establish a system of internal controls, which shall be documented in writing and filed with the District's Board of Education for review. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by authorized investment officers.

**ASSET ALLOCATION.** The allocation of assets within the investment categories authorized herein shall be approved by the School Treasurer.

**COMPETITIVE BIDDING.** The School Treasurer shall obtain competitive bids from at least three (3) broker/dealers prior to executing the purchase or sale of any authorized investments by use of a broker/dealer.

Certificates of deposit shall be purchased by the School Treasurer on the basis of a qualified financial institution's ability to pay a required rate of interest to the District set on a daily basis. Such rate is generally determined on the basis of treasury or other appropriate market rates for a comparable term.

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999  
Revised: December 6, 2007  
Reviewed: August 2015*

**LIMITATION OF LIABILITY.** The standard of prudence to be used by authorized investment officers shall be the “prudent person” standard as stated above, and shall be applied in the context of managing an overall portfolio. The School Treasurer acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and necessary action is taken to control adverse developments.

**REPORTING.** Financial reports shall be presented quarterly to the District by the School Treasurer (or, as appropriate, any other financial officer of the District). The quarterly report shall contain the following:

- a) Performance as compared to established benchmarks;
- b) Asset allocation
- c) Any circumstances resulting in a deviation from the standards established in safekeeping of customary provisions of this Policy as stated above;
- d) Impact of any material change in investment policy adopted during the quarter;
- e) The average days to maturity; and
- f) A listing of all investments in the portfolio marked to market value, including but not limited to information regarding securities in the portfolio by class or type, by value, income earned and market value as of the report date.

The School Treasurer shall develop performance reports in compliance with established industry reporting standards within six (6) months following the adoption of this Investment Policy. such reporting standards may include those sanctioned by the Association of Investment Management Research (“AIMR”) in accordance with Generally Accepted Accounting Principles (“GAAP”).

**DELEGATION OF AUTHORITY.** The School Treasurer may employ one or more investment advisor(s) possessing superior capabilities in the management of assets of

## BOARD OF EDUCATION POLICIES

### 800.24 INVESTMENT POLICY

*Adopted: June 17, 1999*  
*Revised: December 6, 2007*  
*Reviewed: August 2015*

governmental bodies. The Board of Education shall require the School Treasurer or the investment advisor(s) on behalf of the District to meet the following conditions:

- 1) To take actions in the exercise of its discretion which in its best professional judgment are in the best interests of the District and in accordance with this Policy. Such actions include but are not limited to (a) the allocation of District funds among alternative types of investments; (b) specific investment opportunities regarding the acquisition, retention or disposition of investments; and (c) the recommendation of the addition, deletion or modification of authorized investments.
- 2) To execute all investment transactions on behalf of the District at the best net price, utilizing such approved brokers and dealers as it deems appropriate to obtain the best execution capabilities and/or valuable information with respect to the economy, at the lowest cost to the District.
- 3) Such additional responsibilities as are set forth in any investment advisor's written contract with the District.

The School Treasurer shall be responsible for establishing the internal controls in written procedures for the operation of the District's investment program as set forth in this Policy.

**RESERVATION OF RIGHTS.** The District reserves the right to amend this Policy at any time upon the advice and consent of its Board of Education. In the event of any amendment to State statutes governing the investment of public funds, or of changes in the financial markets, such that the District's current investments under this policy no longer meet the guidelines set forth herein, appropriate action shall be taken promptly by the School Treasurer or other authorized person acting for the District.

Legal Reference(s):  
30 ILCS 235/1 et. seq.  
30 ILCS 225/1 et. seq.

## **BOARD OF EDUCATION POLICIES**

### **800.25 CHARITABLE DONATIONS**

*Adopted: February 13, 2003*

*Reviewed: August 2015*

One of the goals of the District is to maximize the District's use of public funds, including all funds received from property taxes and various state and federal funding sources, to provide the best education possible to the District's students. Because of the District's budget constraints and its duty to use its funds responsibly and for educational purposes, it is the policy of the District that none of its funds will be used to make a donation to a charitable cause of any kind. This policy does not limit the ability of a District employee or student to raise funds for a particular charitable cause pursuant to any District solicitation policy and any other applicable policies enacted by the Board of Education. Rather, this policy provides that District funds will not be used to provide a donation to any private, non-educational charitable cause.

## **BOARD OF EDUCATION POLICIES**

### **800.26 USE OF CREDIT CARDS**

*Adopted: December 6, 2007*

*Reviewed: August 2015*

The Board of Education recognizes the value of an efficient method of payment and recordkeeping for certain expenses.

The Board therefore authorizes the use of District credit cards.

The Superintendent shall develop administrative guidelines that specify those authorized to use credit cards, the types of expenses which can be paid by credit card, and their proper supervision and use.

## BOARD OF EDUCATION POLICIES

### 800.27 TAX ABATEMENT

*Adopted: December 6, 2007*

*Reviewed: August 2015*

1. The Board may consider requests for tax abatement. The minimum criteria for tax abatement requests are:

- a. Consideration will only be given to new commercial and/or industrial developments.
- b. Individual commercial development projects (where the end user is a single commercial enterprise) must have a final total projected market value in excess of \$3,000,000. Multiple user commercial developments (where end users are multiple commercial enterprises) must have a final total aggregate market value over \$6,000,000 comprised of individual commercial development projects each having a projected market value in excess of \$500,000.
- c. The amount of the requests must not exceed fifty-percent (50%) of the projected taxes in any given year. The abatement shall not exceed a period of ten (10) years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$3,000,000, or such other sum as may be provided by applicable law.
- d. Each request will be considered on its own merit; the Board may accept or reject any or all such requests without explanation.

2. Items required to consider tax abatement requests:

- a. A common and legal description of the property, including surveys, Sidwell maps and the like;
- b. A description of the business (i.e., type of business, owners, etc.);
- c. Projected building schedule;
- d. Projected market value of property/business upon completion of construction;
- e. Current tax bills of the subject premises;
- f. A list of all governmental bodies who are being requested to abate taxes and the amounts/percentages of each;



## BOARD OF EDUCATION POLICIES

### 800.27 TAX ABATEMENT

*Adopted: December 6, 2007*

*Reviewed: August 2015*

- g. Copies of appraisals of property and of the project as built;
  - h. Commitment and/or information from representatives to establish that the development will be properly financed.
3. Other requirements:
- a. All requests for abatement of taxes should be received at least ninety (90) days prior to when a decision is expected.
  - b. The requesting organization shall make a formal presentation to the Board and administration, and provide access to all revenue data, experts and advisors of the requestors.
  - c. Any other provisions of an abatement agreement as advised by legal counsel and approved by the Board.
  - d. Each business receiving an abatement must agree that if the method of assessing real estate or the method of equalizing the assessment of real estate is altered so as to adversely impact revenue received by the District, the abatements shall continue, but the business and the District shall develop any appropriate adjustment in the method of calculating the abatements as necessary to reduce such abatements in the same proportionate amount as the reduction in revenue received by the District.

Legal Reference(s):  
35 ILCS 200/18-165

## BOARD OF EDUCATION POLICIES

### 800.28 BAD CHECKS

*Adopted: December 6, 2007*

*Reviewed: August 2015*

When the District receives a check from a parent or guardian that, when deposited, is returned, the Superintendent shall provide an opportunity for the person drawing the check to make proper payment or to arrange for a satisfactory payment schedule. There will be a \$25.00 fee added to the bill to cover the amount charged to the District from their bank.

If payment is not received within 15 days, the payment schedule not adhered to, or the monies 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 parents/guardians.

## **BOARD OF EDUCATION POLICIES**

### **800.30 PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS)**

*Adopted: March 18, 2010*

*Reviewed: August 2015*

All card processing activities and related technologies must comply with the Payment Card Industry Data Security Standard (PCI-DSS) in its entirety. Card processing activities must be conducted as described herein and in accordance with the standards and procedures listed in the Related Documents section of this Policy. No activity may be conducted nor any technology employed that might obstruct compliance with any portion of the PCI-DSS.

This policy shall be reviewed and updated as needed to reflect changes to business objectives or the risk environment.

This policy applies to all employees. Relevant sections of this policy apply to vendors, contractors, and business partners.

## BOARD OF EDUCATION POLICIES

### 800.31 IDENTITY PROTECTION

*Adopted: October 20, 2011*  
*Reviewed: August 2015*

It is the policy of the this School District to comply with the Illinois Identity Protection Act by ensuring the confidentiality of Social Security numbers ("SSNs") that are collected, maintained or used, to protect them against unauthorized access.

No school official or employee shall require a person to provide their social security number for any reason or purpose, nor require, use, or disclose a person's social security number, by itself or as part of any method of identification, except as provided herein.

***Exceptions:***

1. If the collection, use or disclosure is required by law; or
2. The collection, use or disclosure is necessary for the performance of the officer's or employee's duties (any such requirement and purpose must be documented, prior to such use, and only used for that purpose); or
3. If the use is specifically authorized under the Illinois Identity Protection Act. (See Administrative Procedure 800.31 Identity Protection.)

Only those school officials and employees who have responsibilities to manage social security number information are authorized to manage information/documents containing social security numbers and shall be trained in the proper protection of the confidentiality of social security numbers under the Illinois Identity Protection Act.

All school officials and employees will be notified of this Policy, and a copy made available to such officials and employees.

Legal Reference(s):  
5 ILCS 179/1 *et seq.* (Illinois Identity Protection Act)

# BOARD OF EDUCATION POLICIES

## 800.32 EXPENSE REIMBURSEMENT POLICY

*Adopted: December 15, 2016*

Reimbursement of travel expenses for employees and officials of this School District shall be in compliance with the Illinois "Local Government Travel Expense Control Act" (the "Act") and pursuant to the requirements set forth herein.

### Travel Expenses

"Travel expenses" are those expenses "directly incident" to official travel by employees or officials (or "wards or charges") which involve reimbursement or direct payment to private companies providing "transportation or related expenses." These expenses include ordinary and reasonable travel, meal, and lodging costs incurred for the authorized and legitimate purposes of the School District.

### Entertainment Expenses

No employee or official may receive payment for any entertainment expense, unless such expense is additional and secondary to the purpose of the program or event. Entertainment expenses include, but are not limited to, shows, amusements, theaters, circuses, sporting events, or any other activity of public or private entertainment or amusement.

### Expense Authorization

The standard travel expense reimbursement form provided by the School District must be completed and authorization for travel expenses obtained prior to the activity or travel, unless preapproval is not reasonably possible. The information is to include the employee or official's name, title/office, travel dates, cost estimates for transportation, lodging, meal, and other necessary costs or receipts for the cost of the travel, meals, or lodging if the expenses have already been incurred. The employee or official should indicate whether per diem or actual reimbursement allowances will be requested. The lowest reasonable cost option(s) should be chosen whenever possible. The expenses allowable under this Policy can be exceeded only due to an emergency or other extraordinary circumstance, as determined by the Board of Education. Expenses for travel, meals or lodging of: (1) any officer or employee that exceeds the maximum amount established by this Policy, or (2) any member of the Board of Education, may only be approved by roll call vote at an open meeting of the Board of Education.

# BOARD OF EDUCATION POLICIES

## 800.32 EXPENSE REIMBURSEMENT POLICY

*Adopted: December 15, 2016*

### Reimbursement

Payment or reimbursement for an authorized employee's or official's travel expenses shall be as follows:

1. For those activities which involve training or study as recommended or directed by law or by an applicable agency or entity with oversight or regulatory authority over the School District or for activities which further the knowledge or expertise of the employee or official, or involve the sharing of such knowledge or expertise, or which involve professional collaboration with others in the employee's or official's professional field.
2. The maximum allowable reimbursement for travel expenses shall be the per diem expense or the actual, ordinary and reasonable expenses incurred.
  - a. Per diem expenses are based on federal per diem rates. Refer to the Internal Revenue Service ("IRS") per-diem rates guidelines according to geographic areas involved in travel. IRS per-diem rates can be found in the *IRS Publication 1542*. Because rates for specific localities may change frequently, the employee or official should ensure that the applied rate is appropriate to the actual dates of travel. Documentation substantiating or confirming the travel expenses (confirming travel, meals, activity attendance, etc.) must be submitted for reimbursement.
  - b. For actual expenses, the original receipts or proofs of payment are required.

This policy shall be in addition to any current regulations, requirements or guidelines on expense reimbursement for employees or officials of the School District. In the event of any inconsistency or conflict, the provisions of this policy shall control.

Legal Reference(s):  
Public Act 99-0604