

# TABLE OF CONTENTS

## SECTION 7—BUSINESS AND FINANCIAL MANAGEMENT

7.1—FISCAL YEAR _____	2
7.2—ANNUAL OPERATING BUDGET _____	3
7.4—GRANTS AND SPECIAL FUNDING _____	5
7.5—PURCHASES OF COMMODITIES _____	6
7.5F—COMMODITIES BIDDER AFFIDAVIT _____	9
7.6—ACTIVITY ACCOUNT _____	11
7.7—CASH IN CLASSROOMS _____	12
<p>No cash or checks are to be left in any classroom overnight. Deposit sheets are to be turned in to the district bookkeeper with the deposit, stating which fund to deposit the money into, the date, activity, and a sponsor’s signature. Staff, other than the District bookkeeper, who collects funds in the course of their employment, should deposit the funds daily with the bookkeeper. Bookkeepers should deposit daily, unless otherwise directed by the superintendent or business manager. _____</p>	
7.8—PERSONAL PROPERTY _____	13
7.9—PROPERTY INSURANCE _____	15
7.10—PUBLIC USE OF SCHOOL BUILDINGS _____	16
7.11—USE OF SCHOOL FUNDS FOR NON-SCHOOL RELATED PURPOSES _____	17

**7.13—MANAGEMENT AND DISPOSAL OF DISTRICT PROPERTY \_\_\_\_\_ 20**

**7.15—RECORD RETENTION AND DESTRUCTION \_\_\_\_\_ 25**

**7.16—INFORMATION TECHNOLOGY SECURITY \_\_\_\_\_ 28**

**7.18 – DISPOSAL OF NON-NEGOTIATED CHECKS OR UNCLAIMED PROPERTY \_\_\_\_\_ 31**

**7.19—SERVICE ANIMALS IN DISTRICT FACILITIES \_\_\_\_\_ 32**

**7.20 – ELECTRONIC FUND TRANSFERS \_\_\_\_\_ 34**

**Cross Reference: 1.16 —DUTIES OF BOARD DISBURSING OFFICER \_\_\_\_\_ 34**

**7.21—NAMING SCHOOL FACILITIES \_\_\_\_\_ 35**

**7.22—PRIVATE SPONSORSHIP OF EXTRACURRICULAR EVENTS \_\_\_\_\_ 36**

**7.22F—EVENT SPONSOR AGREEMENT \_\_\_\_\_ 38**

**7.23—HEALTH CARE COVERAGE AND THE AFFORDABLE CARE ACT \_\_\_\_\_ 39**

# **BUSINESS and FINANCIAL MANAGEMENT**



## **7.1—FISCAL YEAR**

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

Legal Reference: A.C.A. § 6-20-410

Date Adopted: April 13, 2009

Last Revised: August 2006

## **7.2—ANNUAL OPERATING BUDGET**

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

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

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

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

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

Date Adopted: September 11, 2014

Last Revised: March 2014

### **7.3—MILLAGE RATE**

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

Legal References:     A.C.A. § 6-13-622  
                           Arkansas Constitution: Article 14 Section 3 (c) as amended by Amendment 74

Date Adopted: July 11, 2011

Last Revised: June 2011

## **7.4—GRANTS AND SPECIAL FUNDING**

The Superintendent or his/her designee may apply for grants or special funding for the District. Any grants or special funding that require matching District resources shall receive Board approval prior to the filing of the grant's or special resource's application.

Date Adopted: April 13, 2009

Last Revised: August 2006



## **7.5—PURCHASES OF COMMODITIES**

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

### DEFINITIONS

“Commodities” are all supplies, goods, material, equipment, computers, software, machinery, facilities, personal property, and services, other than personal and professional services, purchased on behalf of the District.

“Specifications” means a technical description or other description of the physical and/or functional characteristics of a commodity.

Purchases of commodities with a purchase price of more than \$5,000.00 require prior Board approval; unless an emergency exists in which case the Superintendent may waive this requirement.

The district shall notify in writing all actual or prospective bidders or contractors who make a written request to the district for notification of opportunities to bid. The notification shall be made in sufficient time to allow actual or prospective bidders or contractors to submit a bid or other appropriate response. The board shall accept bids submitted electronically by email or fax for any and all district purchases, unless specified to be submitted by other means or methods, and except those bids which have been specified to have a designated date upon which the bids shall be opened. The superintendent shall be responsible for ensuring submitted bids, whether written, faxed, or emailed, are retained in accordance with policy 7.15—RECORD RETENTION AND DESTRUCTION.

The district will not solicit bids or otherwise contract for a sum greater than \$25,000 with vendors that are on the “excluded parties list” if the contract is to be paid from federal grant funds.

All purchases of commodities in which the estimated purchase price equals or exceeds ten thousand dollars (\$10,000) shall be procured by soliciting bids. Specifications shall be devised for all commodities to be bid that are specific enough to ensure uniformity of the bid and yet not so restrictive that it would prevent competitive bidding. The bid specifications shall not include the name or identity of any specific vendor. The Board reserves the right to reject all bids and to purchase the commodity by negotiating a contract. In such an instance, each responsible bidder who submitted a bid shall be notified and given a reasonable opportunity to negotiate.

Bids shall be awarded after careful examination of the details of the bid to determine the best overall value to the District. In instances where the low bid was not accepted a statement of the reasons shall be attached to the bid. Bidders submitting written bids shall be notified in writing of the bid award.

The following commodities may be purchased without soliciting bids provided that the purchasing official determines in writing that it is not practicable to use other than the required or designated commodity or service, and a copy of this statement is attached to the purchase order:

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

Prospective bidders or contractors may appeal to the district's superintendent if they believe the district failed follow district bidding and purchasing policy or state law.

Any award of a contract shall be subject to revocation for ten working days or, if an appeal is received, after resolution of the appeal. This shall give prospective bidders or contractors the opportunity to appeal the bid award if they believe the facts warrant an appeal. Any appeal shall be **in writing by certified mail** and received by the district office, "attention to the superintendent" within seven calendar days following the initial and revocable award of the contract.

If the district receives an appeal of a bid award, they shall notify, in writing, those prospective bidders or contractors who have made a written request to the district for notification of opportunities to bid that an appeal has been submitted. The notification shall state:

- that the contract award has been halted pending resolution of the appeal and could be revoked;
- the reasons for the appeal;
- that the recipient of the letter may respond to the protested issues identified in the appeal;
- the date the decision on the appeal will be made and notification sent;
- that if the appeal is upheld, the bidding process will start all over again;
- that if the bidding is re-opened, changes will be made to the request for bids as necessary to satisfy the reasons for upholding the appeal

The sole authority to resolve any appeal made relating to this policy shall rest with the superintendent. The superintendent's decision shall be final and conclusive. In the event the district upholds an appeal, the sole responsibility of the district to the aggrieved bidder(s) shall be the re-opening of the bidding process.

The District reserves the right to extend or renew a contract that was previously awarded under the process governed by this policy and law, provided the extension or renewal, meet the following criteria.

1. The equipment and services provided under the extended or renewed contract meets or exceeds the specifications of the original bid.
2. The extended or renewed contract agreement complies with the state of Arkansas's documentation requirements.
3. The cost of the extended or renewed contract is the same or less than the original contract.
4. The extension or renewal is approved by the local school board.

Legal References: A.C.A. § 6-21-301, 303, 304, 305, 306  
A.C.A. § 6-24-101 et seq.

Date Adopted: March 9, 2013

Last Revised: February 2013

## **7.5F—COMMODITIES BIDDER AFFIDAVIT**

NAME OF SCHOOL DISTRICT

NAME OF COUNTY

I, \_\_\_\_\_, hereby state:

(1) I am the duly authorized agent of \_\_\_\_\_, the bidder submitting the competitive bid which is attached to this statement. I certify the facts as detailed below pertaining to the non-existence of collusion among and between bidders and state officials, as well as to the facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the awarding of any contract pursuant to the bid to which this statement is attached.

(2) I am fully aware of the facts and circumstances surrounding the making of the bid to which this statement is attached and have been personally and directly involved in the proceedings leading to the submission of the bid.

(3) Neither the bidder nor anyone subject to the bidder's direction or control has been a party:  
(A) To any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding;

(B) To any collusion with any state official or employee as to quantity, quality, or price in the prospective contract, or as to any other terms of the prospective contract; or

(C) In any discussions between bidders and any state official concerning exchange of money or other thing of value for special consideration in the awarding of a contract.

(4) I hereby guarantee that the specifications outlined in the bid shall be followed as specified and that deviations from the specifications shall occur only as part of a formal change process approved by the Board of Directors of the school district.

\_\_\_\_\_  
Signature

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_

Notary Public

## **7.6—ACTIVITY ACCOUNT**

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

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

The Superintendent shall be the custodian of all activity funds and shall be responsible and accountable for the funds. The Superintendent may appoint a co-custodian for each school in the District who shall also be responsible for the activity funds he/she maintains.

Legal Reference: A.C.A. § 6-13-701 (g)

Date Adopted: July 11, 2011

Last Revised: June 2011

## 7.7—CASH IN CLASSROOMS

No cash or checks are to be left in any classroom overnight. Deposit sheets are to be turned in to the district bookkeeper with the deposit, stating which fund to deposit the money into, the date, activity, and a sponsor's signature. Staff, other than the District bookkeeper, who collects funds in the course of their employment, should deposit the funds daily with the bookkeeper. Bookkeepers should deposit daily, unless otherwise directed by the superintendent or business manager.

Date Adopted: May 15, 2012

Last Revised: May 2012

## **7.8—PERSONAL PROPERTY**

To avoid confusion and the potential for misunderstandings, District staff who brings personal property to school to use in the performance of their jobs should label the items with their names. Any such items should be removed from the school at the close of school each year. The District assumes no responsibility for damage to, or the loss of, personal property brought to District facilities by District staff.

Date Adopted: April 13, 2009

Last Revised: August 2006





## **7.9—PROPERTY INSURANCE**

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

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

Date Adopted: July 11, 2011

Last Revised: June 2011

## **7.10—PUBLIC USE OF SCHOOL BUILDINGS**

It is the policy of the Board that District school buildings may be used by citizens of the District to conduct lawful meetings for social, civic, or recreational purposes provided such meetings do not interfere with the regular school work. The Superintendent shall be responsible, with Board approval, for establishing procedures governing such use of school buildings. The governing procedures shall be viewpoint neutral. Building principals shall be consulted to determine if there exists any conflict with planned school activities prior to other groups being allowed to use school facilities.

The Maynard School District will charge a \$25.00 rental fee for use of the cafeteria and require a \$25.00 deposit to be returned to the renter when keys are returned to the office, and when the buildings have been inspected for damages. The deposit will be deposited into the school account if any property is damaged, broken, and/or missing. The renter must be a resident of the district, or alumni of the district, and provide a current driver's license, address, and phone number. The renter must also sign the rental agreement when the keys are picked up at the superintendent's office.

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

Buildings may not be rented out to the public later than June 15<sup>th</sup> of each school year. This will give the custodians time to refinish floors and clean hallways without interference of foot traffic.

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

Date Adopted: March 9, 2013  
Last Revised: February 2013

## **7.11—USE OF SCHOOL FUNDS FOR NON-SCHOOL RELATED PURPOSES**

School funds shall not be used for political, charitable, or humanitarian purposes.

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

Legal Reference: Arkansas Constitution Article 14 § 2

Date Adopted: April 13, 2009

Last Revised: May 2008

## **7.12—EXPENSE REIMBURSEMENT**

The requirements of this policy shall govern reimbursement for expenses related to travel and/or attendance at conferences and professional development activities incurred by district employees and/or members of the Board of Directors on behalf of the district. Employees are only eligible for reimbursement for travel expenses for travel which has been approved in advance. Original receipts must accompany all requests for reimbursement to the extent that such receipts are customarily available. For a receipt to be valid it should contain the name of the issuing company, the date, and the amount. No cash advances shall be made for travel. Mileage, lodging, and meal expenses will not be reimbursed when incurred for the personal convenience of the employee and not required by the reason for the travel. Reimbursement for travel shall be for the lesser of the cost between travel by air or by car with some consideration allowed for length of time of the method of travel.

To the extent practicable, employees shall have the district pay initial conference and professional development registration fees and associated necessary and materials. In the occasional circumstances where this is not practical, the district shall reimburse the employee for such fees if they were authorized in advance and are supported with proper receipts. The district will not reimburse expenses of any non-school board member or non-employee who accompanies the school board member or employee during his/her school related travel.

### **Reimbursable Expenses**

Mileage that is driven for a district sanctioned purpose in an employee's personal vehicle shall be reimbursed provided appropriate documentation is submitted establishing the date and time, place, and purpose of the travel. Mileage shall be reimbursed at the current rate of \$.42 per mile and shall be based on the shortest, most reasonable, route available.

Meals may be reimbursed for travel which necessitates an overnight stay when submitted according to the dictates of this policy. Reimbursement shall be prorated based on the percent of a day the employee is away on travel. For example, if an employee returns from his/her travel in the afternoon, he/she is only eligible for reimbursement for breakfast and lunch expenditures. Meals shall be reimbursed for the actual expense or for a total of \$35 per day with itemized receipts for proof of purchase. No tips, alcoholic beverages, etc. will be reimbursed. A credit card receipt will

only be accepted if it states what is purchased. Except as otherwise specified by this policy, meals are only reimbursable in conjunction with travel requiring an overnight stay.

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

Travel necessitating overnight lodging shall be reimbursed to the extent that it is not lavish and is reasonable based on circumstances of the expenditure. Proper documentation establishing the date and time, place, and purpose of the travel must be submitted along with a receipt for the overnight accommodations. To the extent practicable, employees shall receive assistance from administrators or their designee in arranging travel plans to help keep expenses to a minimum.

### **Expenses not covered**

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

- Alcoholic beverages;
- Entertainment expenses – including sports or sporting events; pay per view or game expenses at motels;
- Replacement due to loss or theft;
- Discretionary expenses for items such as clothing or gifts;
- Medical expenses incurred while on route to or from or at the destination of the reason for the travel;
- Optional or supplementary insurance obtained by the employee for the period covered during the travel;
- Tips, other than those required by the source of the expense, e.g. a restaurant which adds a tip to the bill for all groups of six or more.

### **Credit Cards**

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

### **Airport Associated Expenses**

Receipts for airport associated expenses are required for reimbursement. All airline flights shall be by coach/economy class. Upon arrival at their destination, employees are expected to take the less expensive

option between a taxi and an airport shuttle service to his/her hotel or meeting site. When circumstances dictate that a rental car is necessary and/or the most economical approach to the travel requirements, the least expensive car that will accomplish the job should be rented. The district shall not reimburse for any kind of rental car supplemental insurance.

**Other Expenses Reimbursed:**

The District will reimburse/pay for teacher license renewal fee of \$100, provided teacher has obtained required professional development. Administrators/teachers are responsible for additional fees to add areas to license.

The District will reimburse maintenance personnel for any license renewal fee which will aid the district in maintenance duties being performed. Areas included, but not limited to, are: Electrical, Plumbing, HVAC, Etc. (Must be state approved license.)

The District agrees to reimburse bus drivers or sub-drivers for expenses incurred such as: Initial CDL license fee, TB Skin Test, background check, and co-pay for bus driver physical or initial visit cost up to \$100. District is not responsible for any referrals as the result of initial exam.

Cross References: 3.20—CERTIFIED PERSONNEL REIMBURSEMENT OF TRAVEL EXPENSES

8.14— NONCERTIFIED PERSONNEL REIMBURSEMENT OF TRAVEL EXPENSES

Date Adopted: September 12, 2011

Last Revised: August 2011

## **7.13—MANAGEMENT AND DISPOSAL OF DISTRICT PROPERTY**

### **Definitions**

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

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

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

“Real property” is land and whatever is erected or affixed to land, such as structures or buildings.

“Surplus real property” is real property that is not presently needed or foreseen to be needed by the District, and that has been authorized for sale as surplus real property by vote of the School Board.

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

The District's purchases of commodities shall be in accordance with Policy 7.5—PURCHASES OF COMMODITIES and, to the extent applicable, the procurement requirements of any granting source of funding used to purchase the commodity. The Superintendent shall develop procedures governing the use, management, and dispersal of commodities. At a minimum, the procedures will cover the following topics.

- labeling all commodities;
- establishing adequate controls to account for their location, custody, and security;
- annually auditing the inventory of commodities and updating a listing of such commodities to reconcile the audit with the district's inventory records. The audit will be documented and account for any transfer and/or disposal of a commodity.
- Disposing of surplus commodities and surplus real property, whether purchased in whole or in part with federal grant funds or with local funds.

### **Disposal of Surplus Commodities**

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

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

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

The Superintendent may submit a list of surplus commodities deemed to have a fair market value of \$1,000 or greater to the Board of Directors for authorization to sell such surplus commodities. Once the Board of Directors has authorized the sale of such surplus commodities, the Superintendent or designee(s) may sell that surplus commodity as the need arises. Items with a fair market value of \$1,000 or greater will be sold by the most efficient, cost effective means that is likely to result in sales at or near fair market value. If the Superintendent chooses to dispose of the surplus items by bid, the Superintendent or designee may set a minimum or reserve price on any item, and may reject all bids. The Superintendent or designee is authorized to accept the high bid provided the high bid is at or near the fair market value without further Board action unless the high bid comes under the jurisdiction of Arkansas ethics legislation in which case the provisions of A.C.A. §§ 6-24-101–107 would apply.



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

### **Disposal of Surplus Real Property**

The Board of Directors recognizes that real property it owns sometimes becomes no longer of use to the District and thus meets this policy's definition of surplus real property.

The Superintendent may submit a request to the Board of Directors for authorization to sell surplus real property. Once the Board of Directors has authorized the sale of such surplus real property, the Superintendent or designated individual(s) may sell that surplus real property as the need arises. The Superintendent or designee(s) shall be responsible for getting a determination of the objective fair market value of surplus real property<sup>3</sup>. The district will strive to dispose of surplus items at or near their fair market value. The real property may be listed for sale with a real estate broker, and the Superintendent or designated individual may contract on behalf of the district to pay the usual and customary sales commission for such transactions, upon sale of the property.

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

If attempts at public sales fail to produce any interested buyers or bidders, such remaining unsold real property may then, if agreed to by the Superintendent and Board of Directors, be donated to appropriate education related entities, not-for-profit organizations, or the county/city in accordance with the provisions of state law.

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

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

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

### **Disposal of Surplus Real Property After Consolidation**

Real property of a consolidated school district that is no longer being used for educational purposes and has not been sold, preserved, leased, or donated two (2) years after the effective date of

consolidation shall be made available for use by a publicly supported institution of higher education, a technical institute, a community college, a not-for-profit organization, a county, or a city by the Board of Directors for the following purposes:

- Having the real property preserved, improved, upgraded, rehabilitated, or enlarged by the donee;
- Holding of classes by statutorily authorized education related entities; or
- Providing community programs and beneficial educational services, social enrichment programs, or after-school programs.

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

Date Adopted: September 11, 2014  
Last Revised: March 2014

## **7.14—USE OF DISTRICT CELL PHONES and COMPUTERS**

Board members, staff, and students shall not be given cell phones or computers for any purpose other than their specific use associated with school business. School employees who use a school

issued cell phones and/or computers for non-school purposes, except as permitted by District's use policy, shall be subject to discipline, up to and including termination. School employees may be issued District cell phones if their position requires the employee be available at all times for work related emergencies or the employee be available to speak with others on school related business when the employee is away from the office. Employees issued cell phones for such purposes may use the phone for personal use on an "as needed" basis.

Students who use school-issued cell phones and/or computers for non-school purposes, except as permitted by the District's Internet/computer use policy, shall be subject to discipline, up to and including suspension or expulsion.

All employees are forbidden from using school-issued cell phones while driving any vehicle at any time. Violation may result in disciplinary action up to and including termination.

Cross References: 3.34—CERTIFIED PERSONNEL CELL PHONE USE

4.47— POSSESSION AND USE OF CELL PHONES, BEEPERS, ETC.

8.25— NONCERTIFIED PERSONNEL CELL PHONE USE

Legal References:     IRC § 132(d)  
                              IRC § 274(d)  
                              IRC § 280F (d) (4)  
                              IRS Publication 15 B

Date Adopted: May 15, 2012

Last Revised: May 2012

## 7.15—RECORD RETENTION AND DESTRUCTION

It is necessary to maintain district records in a manner that provides for efficient document storage and retrieval and is conducive to eliminating unnecessary record retention. Due to the variety of records that may need to be retained and accessed, the superintendent shall ensure that all staff receives appropriate training to understand this policy. Staff shall also understand the possible ramifications to the district and/or themselves for failure to properly maintain records and follow the requirements contained in this policy.

### Definitions

"Directly or directly interested" (hereinafter "directly") means receiving compensation or other benefits personally or to an individual's household from the person, business, or entity contracting with the District.

"Indirectly or indirectly interested" (hereinafter "indirectly") means that a family member, business, or other entity in which the individual or a family member has a financial interest will receive compensation or benefits.

"Record" is defined for the purposes of this policy, as an item or items, whether electronic or material, that are created by, at the request of, or received by and purposefully retained by a board member, administrator, or employee in the ordinary course of District business. Examples include, but are not limited to:

Any kind of correspondence;

- Calendars;
- Computer files and documents (which may include drafts);
- Telephone logs;
- Expense records;
- Audio or video recordings that are created for the purpose of monitoring the security of District property or the safety of District students;
- Documentation related to transactions or contracts for:
  - Services with Board members, administrators, employees, or members of their families covered under the statutorily defined ethical restrictions associated with a contract for services provided for the District involving a Board member, administrator, or employee who "directly or indirectly" benefits from the contract;
  - An exemption granted by the Arkansas Department of Education (ADE) from the statutorily defined ethical restrictions associated with a contract for employment or for services provided for the District that involves a District administrator, board member, or employee.

The superintendent shall be responsible for establishing a schedule for the routine destruction of district records that accommodates the needs of the district. The schedule shall specify the length of retention for any records not specifically delineated by this policy and be distributed to staff on a need-to-know basis according to their respective employment duties and responsibilities. The

schedule should accommodate the need for records to be stored as a blend of printed, bound and electronically recorded (e.g., audio tape, video tape, micro-fiche, computer disk) material. The superintendent or designee shall ensure the effective and efficient securing, cataloging, storing, and appropriate scheduled destruction of all records.

The following records categories shall be retained for the time specified.

Board of Education Minutes – forever

Personnel files – forever

Student files – until the student receives a high school diploma or its equivalent, or is beyond the age of compulsory school attendance

Student records of attendance/graduation – forever

Financial Records – five (5) years

Documentation, including letters of approval, related to transactions or contracts for services covered by this policy and Arkansas statutes for Board members or members of their families or for waivers granted to District employees - thirteen years

Employment applications, including applicant lists, applicant interview evaluations, documentation in response to requests for reasons for a failure to be interviewed and/or hired, and hiring determinations - five (5) years

Expenditures made with federal grant monies – governed by the terms of each grant

Video Surveillance Recordings – the timeline established in Policy 4.48—VIDEO SURVEILLANCE

Emails – whatever the district’s policy is on this subject

Documents filed with the IRS, including those required in Policy 7.23-Health Care Coverage and the Affordable Care Act – four (4) years

The superintendent or designee shall be responsible for determining when there is a need to interrupt the routine destruction of records. When the superintendent or designee makes the decision to cease the routine disposal of records, staff affected by the decision shall be promptly informed of the decision and of the nature of records that are to be retained. Such records shall be retained until the superintendent or designee has authorized their destruction. Employee training on the district’s records retention schedule shall specifically include information on the records that may need to be retained due to pending disciplinary or legal actions which otherwise are subject to routine disposal. If an employee has doubt about the need to retain any record otherwise scheduled for destruction, he/she shall consult with the superintendent or designee prior to destroying such records.

The records’ storage system devised by the superintendent and designee(s) shall be organized in a manner that enables the efficient retrieval of data and documents. The district shall have adequate backup of critical data which is stored electronically. The system shall be communicated to employees in a manner that enables them to understand and follow the system’s requirements.

In retaining and destroying records, no employee shall:

- Destroy, alter, mutilate, conceal, cover up, falsify, or make a false entry in any record that may be connected to a disciplinary matter or lawsuit or to a matter within the jurisdiction of a federal or state agency, in violation of federal or state law or regulations.

- Alter, destroy or conceal a document, or attempt to do so, with the intent to impair the document's availability for use in a disciplinary matter, lawsuit or an official proceeding or otherwise obstruct, influence or impede any lawsuit or official proceeding, in violation of federal or state law or regulations.
- Retaliate or discriminate against an employee who refuses to violate this policy or to coerce or threaten an employee to violate this policy.

Failure to follow the requirements set forth in this policy may result in disciplinary action against the employee(s), up to and including termination. The district's board of directors prohibits and will not tolerate any form of reprisal, retaliation or discrimination against any employee who, in good faith, has attempted to comply with this policy.

Cross References: Policy 3.19—LICENSED PERSONNEL EMPLOYMENT  
Policy 8.13—CLASSIFIED EMPLOYMENT

Legal References: A.C.A. § 5-1-109(c)(2), (g)  
A.C.A. § 6-13-619  
A.C.A. § 6-17-104  
A.C.A. § 6-17-2301  
A.C.A. § 6-18-901  
A.C.A. § 6-24-102(8)(15)  
A.C.A. § 6-24-105(d)  
A.C.A. § 6-24-106(c)(6)  
A.C.A. § 6-24-107(c)  
A.C.A. § 6-24-115  
A.C.A. § 21-3-302, 303  
ADE Rules Governing Ethical Guidelines and Prohibitions for Educational Administrators, Employees, Board Members, and Other Parties  
26 C.F.R. § 31.6001-1  
34 C.F.R. § 99.2  
Federal Rules of Civil Procedure Numbers 16, 26, 33, 34, 37, and 45

Date Adopted: September 11, 2014  
Last Revised: March 2014

## **7.16—INFORMATION TECHNOLOGY SECURITY**

The superintendent shall be responsible for ensuring the district has the necessary components in place to meet the district's needs and the state's requirements for information technology (IT) security. The district shall appoint an information technology security officer (ISO) who, along with other IT staff, the superintendent and district management appointed by the superintendent shall develop the necessary procedures to create a district-wide information technology security system meeting the requirements of this policy and the standards prescribed by the Arkansas Department of Education.

The IT security system shall contain the necessary components designed to accomplish the following.

1. Sensitive information shall be protected from improper denial, disclosure, or modification.
2. Physical access to computer facilities, data rooms, systems, networks and data will be limited to those authorized personnel who require access to perform assigned duties.
3. Traffic between internal (district) resources and external (Internet) entities will be regulated by network perimeter controls. To the extent technologically feasible, network transmission of sensitive data should enforce encryption.
4. User access to the district's technology system and its applications shall be based on the least amount of access to data and programs necessary to perform the user's job duties.
5. Student or financial applications software developed for or by the district will be tested prior to implementation to ensure data security through proper segregation of programs.

6. Monitoring of internal and external networks and systems will be designed to provide early notification of events and rapid response and recovery from IT related incidents and/or attacks.
7. Continuity of critical IT services will be ensured through the development of a disaster recovery plan appropriate for the size and complexity of the district's IT operations.
8. Software protection of servers and workstations will be deployed to identify and eradicate malicious software attacks such as viruses, spyware, and malware.

Legal Reference: Commissioner's Memo RT 09-010

Date Adopted: August 27, 2009

Last Revised: New – July 2009

## **7.17—FOOD SERVICE PREPAYMENT**

The district does not offer credit for food items purchased in the school cafeteria, except to teachers and staff, for no longer than 30 days. All charges must be paid within 30 days. Parents or students choosing to do so may pay weekly or monthly in advance for students' meals.

Students may not charge tea, extra milk, or a la carte items.

Date Adopted: August 27, 2009

Last revised: July 2009





## **7.18 – DISPOSAL OF NON-NEGOTIATED CHECKS OR UNCLAIMED PROPERTY**

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

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

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

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

Date Adopted: May 15, 2012

Last Revised: May 2012

## 7.19—SERVICE ANIMALS IN DISTRICT FACILITIES

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

When an individual with a disability seeks to bring a service animal into a district facility, the district is entitled to ask the individual if the animal is required because of a disability and what work or task the animal has been trained to perform. The district is not entitled to ask for documentation that the animal has been properly trained, but the individual bringing the animal into a district facility will be held accountable for the animal's behavior.

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

The crime deterrent effects of an animal's presence and the provision of emotional support, well-being, comfort, or companionship do **not** constitute work or tasks for the purposes of this policy; no animal brought solely for any of these reasons shall be permitted on school grounds.

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

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

A service animal shall be groomed to prevent shedding and dander and shall be kept clean of fleas and ticks.

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

- (1) The animal is out of control and the animal's handler does not take effective action to control it;
- (2) The animal is not housebroken; or
- (3) Making reasonable accommodations for the service animal's presence would fundamentally alter the nature of the service, program, or activity.

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

The District and its staff are not responsible for the care or supervision of a service animal brought onto district property or into district facilities by an individual with a disability. Students with service animals are expected to care for and supervise their animal. In the case of a young child or a student with disabilities who is unable to care for or supervise the service animal, the parent is responsible for providing care and supervision of the animal. Prior to working in the school, any person responsible for providing care and supervision of the animal must go through the same process for background checks as required of all employees of the school system.

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

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

Date Adopted: September 11, 2014

Last Revised: March 2014

## **7.20 – ELECTRONIC FUND TRANSFERS**

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

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

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

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

Cross Reference: 1.16 —DUTIES OF BOARD DISBURSING OFFICER

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

Date Adopted: May 15, 2012

Last Revised: May 2012

## **7.21—NAMING SCHOOL FACILITIES**

Except as otherwise permitted in this policy or Arkansas law, the District shall not name any building, structure, or facility, paid for in whole or in part with District funds, for an individual living at the time of its completion who, in the ten (10) years preceding its construction, was elected, or held, a federal, state, county, or municipal office and received a salary for his/her service.

Exceptions to the preceding paragraph may be made when a building, structure, or facility is [a](#) constructed through the use of at least 50% private funds or, the name refers to:

1. an individual(s) living at the time of its completion and who has historical significance;
2. an individual who is or has been a prisoner of war; or
3. a living individual who is at least 75 years of age and is retired.

Legal Reference: A.C.A. § 25-1-121

Date Adopted: September 11, 2014

Last Revised: March 2014

## **7.22—PRIVATE SPONSORSHIP OF EXTRACURRICULAR EVENTS**

The Superintendent, or designee, may negotiate for the private sponsorship of an event to take place during the time allotted for a half-time break of any of the District's interscholastic activities. The amount of time for a half-time break shall not be extended for the event.

The school district shall not discriminate against potential sponsors based on political affiliation, religion, or perceived message. The Superintendent, or designee, may decline sponsorship for any of the following reasons:

- The sponsored event would conflict with school or school group presentations;
- The proposed event would be logistically impracticable due to the estimated time, required materials for the event, or for other reasons associated with the implementation of the event;
- The proposed event would make continuation of the interscholastic activity impracticable due to residual mess/trash resulting from the activity; or
- The proposed event would present an unacceptable safety risk to students or viewing audience.

The Superintendent's, or designee's, decision to accept or decline the proposed sponsored event shall be final.

Any potential sponsor shall be required to demonstrate proof of an in force, minimum face value one million dollar (\$1,000,000) general liability insurance policy that would cover the event. The sponsor must also agree to indemnify the school against any damages to school property, school employees, students, or bystanders that arise as a result of the sponsored event as well as from any law suits that are filed in response to such damages.

There shall be no live or recorded speech, music, or other media provided by the sponsor used during the sponsored event. A member of the school's administration shall announce the name of the sponsor of the event and shall be present to assist in conducting the event. The school administrator shall be a neutral participant and shall only make content neutral statements during the event. To meet this standard, the administrator shall not promote or act in a manner that creates the appearance, or that could give the impression, that the District sponsors, endorses or otherwise agrees with the product, person/group, or event being promoted by the sponsor. No school employee may act as the representative of a sponsor or wear attire/apparel that is provided by the sponsor or that could be interpreted as promoting the sponsor's interests. Employees or representatives of/affiliated with the sponsor may be present at the event and stand with the member of school administration who is announcing and conducting the event; such employees/representatives of the sponsor may wear clothing identifying them as sponsors of the event.

The Superintendent, or designee, shall have the authority to regulate the time, place, and manner of the distribution of promotional materials by the event sponsor. "Promotional materials" includes, but is not limited to, pamphlets, pens/pencils, sports equipment (whether miniature or full sized), or clothing. The event sponsor shall provide the Superintendent, or designee, with a complete list of the types of promotional materials the event sponsor intends to distribute at the event so that the Superintendent, or designee, may make an informed decision on the time, place, and manner of distribution that would result in the least amount of disturbance with the interscholastic activity.

The Superintendent, or designee, should take the following into account when determining the best time, place, and manner of distribution of promotional materials:

- Whether the promotional materials could be a distraction to participants in the interscholastic activity due to the promotional material emitting light or noise;
- Whether the promotional materials have a high possibility of being able to be used against participants of the interscholastic activity to attempt to alter the outcome of the activity;
- The possibility that the promotional materials would be left by recipients to become litter; and
- The possibility that the promotional materials would divert the attention of the audience from the interscholastic activity.

The Superintendent, or designee, shall limit the distribution of promotional materials to audience members when they are entering the school building/arena, during the sponsored half-time event, and/or when they are leaving the school building/arena. The Superintendent's, or designee's, restrictions on the time, place, and manner of promotional materials shall be final.

Any funds received through private sponsorship shall be placed in the District's Activity Account. The Superintendent, or designee, should follow the policy for receiving public gifts or donations when negotiating the sponsorship amount, as set forth in policy 6.3—Public Gifts and Donations to the Schools.



Cross Reference: Policy 6.3 —Public Gifts and Donations to the Schools

Legal Reference: ADE Rules Governing Athletic Revenues and Expenditures for Public School Districts

Date Created: September 11, 2014

Last Modified: March 2014

## **7.22F—EVENT SPONSOR AGREEMENT**

The Maynard School District and \_\_\_\_\_ (Sponsor) agree that Sponsor shall be permitted to sponsor an event to take place during the half-time break of the interscholastic activity that is scheduled on \_\_\_\_\_.

Sponsor promises to pay to District the amount of \_\_\_\_\_ for the privilege of being announced as the sponsor of the above event.

Sponsor agrees to abide by District’s time, place, and manner restrictions on the distribution of all promotional materials related to the above sponsored event.

Sponsor has provided District proof of an in force, minimum face value one million dollar (\$1,000,000) general liability insurance policy that will cover the above event.

I, \_\_\_\_\_, acting as a lawful an authorized representative of Sponsor, certify that I have the authority to enter into this agreement, and authorize payment to District. I understand that the half-time event will not be scheduled until this agreement is fully executed and full payment under this agreement has been received by District.

### **Indemnification Agreement**

Sponsor promises to indemnify, hold harmless, and defend District, its agents and employees from any lawsuits, causes of action, claims, liabilities, and damages of any kind or nature, including, but not limited to: attorney’s fees and costs arising from this contract, whether such attorney’s fees and costs are attributable in whole or in part to any act, omission, or negligence of District, it’s agents or employees, and including, but not limited to, any and all lawsuits, causes of action, claims, liabilities and damages, as provided above which District, its agents or employees may sustain by reason of any failure by Sponsor to indemnify as provided herein, or any failure by Sponsor to otherwise perform its obligations pursuant to this Contract, or by reason of the injury to or death of any person or persons or the damage to, loss of use of or destruction of any property resulting from this agreement.

I, \_\_\_\_\_, acting as a lawful an authorized representative of Sponsor, certify that I have read, understood, and accept the above indemnification agreement.

\_\_\_\_\_  
Sponsor Representative’s Signature

\_\_\_\_\_  
Date

I, \_\_\_\_\_, acting as a lawful and authorized representative of District certify that Sponsor has tendered the promised amount and has met all the requirements to be a sponsor as set forth in District Policy 7.22—PRIVATE SPONSORSHIP OF EXTRACURRICULAR EVENTS.

\_\_\_\_\_  
District Representative’s Signature

\_\_\_\_\_  
Date

## **7.23—HEALTH CARE COVERAGE AND THE AFFORDABLE CARE ACT**

### **Definitions**

“Dependant” for purposes of this policy, includes: an employee’s child(ren) under the age of twenty-six (26); and an employee's spouse who is not eligible to enroll in his/her employer’s sponsored plan, and who is enrolled through the employee's Public School Employee Life and Health Insurance Program (PSELHIP) plan.

“Full-time employee”, for purposes of this policy, means an employee in a position requiring on average thirty (30) hours of actual performance per week during the annual school year.

“Responsible individual” means a primary insured employee who, as a parent or spouse, enrolls one or more individuals in minimum essential coverage through a district’s health care plan.

“Tax Identification Number (TIN)” means an individual’s social security account number.

"Variable hour employee", for the purposes of this policy, means an individual who has no base minimum number of hours of performance required per week.

### **Health Insurance Enrollment**

All full time District employees are eligible to enroll themselves; their spouse, so long as the spouse is not otherwise eligible for insurance through his/her employer's sponsored plan; and/or their child(ren) in one of the insurance plans through the PSELHIP. Variable hour employees are not eligible to enroll in a PSELHIP plan. New employees have until the end of the first full month following the date the employee’s employment duties begin to elect to enroll in a PSELHIP plan; Coverage for eligible employees who choose to enroll in a PSELHIP plan shall take effect on the first of the month following the date on the enrollment application and shall be in effect until the end of the calendar year. Employees who experience a Qualifying Status Change Event have thirty (30) days from the date of the Qualifying Status Change Event to file an application to change coverage information. All employees who continue to be eligible may elect to continue coverage and make changes to their PSELHIP plan for the following plan year during the yearly open enrollment period.

The District shall ensure all eligible employees are provided education annually on the advantages and disadvantages of a consumer-driven health plan option and effective strategies of using a Health Savings Account (HSA). Any employee who enrolls in a consumer driven health care plan is required to establish an HSA.

### **District Contribution to Premiums**

At a minimum, the District shall distribute the statutorily required contribution rate to all employees who are enrolled in one of the PSELHIP plans.

### **Affordable Care Act**

The District's policies are in compliance with the Affordable Care Act. The District offers health coverage to all full-time employees and their dependents through the PSELHIP, files IRS Returns on the health care coverage of all full-time employees, indicates the cost of the employee’s health coverage on the employee’s W-2, and provides a Statement of Return to all full-time employees regarding the employee’s IRS Return on the employee’s health insurance coverage.

### **Measurement Method of Employee Hours**

The District does not use a look-back period when determining if an employee qualifies as a full-time employee.

The number of hours teachers perform shall be the sum of the teacher's daily contract hours plus an additional one quarter (¼) of those hours as credit for time spent grading homework after regular school hours. The additional time is for determining insurance eligibility purposes only and, in no way, affects the teacher's salary.

### **IRS Return**

The IRS requires that a "Return" be filed by the District on every full-time employee. These Returns cover the District's full-time employees and the dependents of a responsible individual's health care coverage status during the previous calendar year. To satisfy the IRS requirement, the District shall:

1. Collect information annually on the participation in, or lack thereof, a PSELHIP plan of all full-time employees and their dependents;
2. Complete the form(s) provided by the IRS that constitute a return for each District full-time employee;
3. File electronically all Returns with the IRS on or before March 31 of each year.

### **W-2**

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

### **Statement of Return**

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

### **Electronic Statements**

The District shall provide the Statement in paper unless the employee has affirmatively consented to receive the Statement in an electronic format. Employees who wish to receive a Statement in an electronic format must submit 7.23F-Electronic Receipt of Statements Consent Form to Peggy James. The District shall send an email confirming the receipt of the employee's consent form to the provided email address within ten (10) business days of the receipt. The consent to receive an electronic copy of the statement shall be effective for all future Statements or until thirty (30) days after a written withdrawal of consent is received.

An employee may make a written request to receive a paper copy of the Statement in addition to the electronic copy by sending the written request to Peggy James. The written request for an additional paper copy shall not constitute a withdrawal of consent.

An employee may withdraw consent to receive Statements in an electronic format at any time by submitting a written withdrawal of consent to Peggy James. The withdrawal of consent shall become effective thirty (30)

days after it is received. The District will send an email confirming the receipt of the withdrawal of consent within ten (10) business days that states the date the withdrawal will become effective. Any Statement sent electronically prior to the effective date of the withdrawal of consent shall satisfy the District's obligations.

The District shall automatically discontinue the transmission of Statements in an electronic format starting on February 1 of the year following termination or non-renewal of the employee's employment contract, the retirement of the employee, or the death of the employee.

The District is not responsible for making sure the employee's contact information is up to date. Employees whose contact information changes should submit an amended copy of 7.23F-Electronic Receipt of Statements Consent Form to Peggy James. Employees who have elected to receive an electronic Statement shall be notified electronically through the email address on file in the event that any of the District's contact information changes.

The District shall provide the electronic Statements in the Portable Document Format (PDF). In the event the District plans to change the format Statements will be provided in from a previous format, the District shall notify all employees who have consented to receiving electronic Statements to the planned change of format. The notification shall be sent prior to the change in format and shall include:

- a. The new format for electronic Statements;
- b. Hardware/software requirements to access the new format;
- c. The date the new format will begin being used;
- d. A statement that the employee's consent is no longer effective; and
- e. A statement that employees are responsible for resubmitting 7.23F-Electronic Receipt of Statements Consent Form to Peggy James if the employee wishes to receive an electronic Statement after receiving notice of a change in format.

The District shall transmit the electronic Statement to employees as an email attachment. The subject line of the email shall be "IMPORTANT TAX RETURN DOCUMENT AVAILABLE". When the District receives notice that the email with an employee's electronic Statement attached was unable to be delivered, the District shall attempt to contact the employee in question to obtain a working email address. In the event the District is unable to acquire a working email address for the employee by either contacting the employee or searching the District's records, the District shall mail or hand deliver a paper copy of the Statement to the employee's last known mailing address within thirty (30) days of the District's receiving the failure to deliver notice.

In the event the District makes corrections to an employee's Statement, the District shall transmit the corrected Statement to the employee within ten (10) business days of the completion of the corrected Statement as an email attachment and will follow all other requirements regarding the emailing of Statements.

## **Record Retention**

The District shall maintain copies of the documentation the District uses to notify employees of their ability to elect to enroll in a PSELHIP plan, the IRS Returns filed on employees, and Statements sent to employees in accordance with the requirements for documents transmitted to the IRS in Policy 7.15-Record Retention and Destruction.

Cross References: 3.52—LICENSED PERSONNEL HEALTH CARE COVERAGE REPORTING  
3.52F—LICENSED PERSONNEL HEALTH CARE COVERAGE AND TIN REPORT FORM  
7.15—RECORD RETENTION AND DESTRUCTION  
7.23F—LICENSED PERSONNEL ELECTRONIC RECEIPT OF STATEMENTS CONSENT FORM  
8.41—CLASSIFIED PERSONNEL HEALTH CARE COVERAGE REPORTING  
8.41F—CLASSIFIED PERSONNEL HEALTH CARE COVERAGE AND TIN REPORT FORM

Legal References: A.C.A. § 6-17-1117  
A.C.A. § 21-5-407  
A.C.A. § 21-5-410  
A.C.A. § 21-5-418  
26 C.F.R. § 54.4980h-0 et seq.  
26 U.S.C. § 4980H  
26 U.S.C. § 6001  
26 U.S.C. § 6051  
26 U.S.C. § 6055  
26 U.S.C. § 6056  
26 U.S.C. § 6109  
26 C.F.R. § 31.6001-1

Date Adopted: September 11, 2014

Last Revised: September 2014

## **7.23F LICENSED PERSONNEL ELECTRONIC RECEIPT OF STATEMENTS CONSENT FORM**

\*This policy was adopted September 11, 2012 but we received word on September 12, 2014 that it had been repealed at the state level.

