

Policy © 1-105 Conflicts of Interest

Definitions

~~“Substantial interest” is any nonspeculative pecuniary or proprietary interest, either direct or indirect, other than a remote interest, as defined in [A.R.S. § 38-502](#)(11).~~

~~“Remote interest” is a limited interest as defined by statute that does not disqualify a governing board member or employee from participating in a contract, sale, purchase, or decision, as defined in [A.R.S. § 38-502](#)(10).~~

~~“Board member relative” means a Board member’s spouse or any person claimed as a dependent on the Board member’s income taxes. Relative includes the spouse, child, child’s child, parent, grandparent, brother, or sister of the whole or half blood and their spouses and the parent, brother, sister, or child of a spouse as defined in [A.R.S. § 38-502](#)(9).~~

“Employee” means all persons who are not public officers and who are employed on a full-time, part-time or contract basis by the District as defined in [A.R.S. § 38-502](#)(2).

“Make known” means the electronic or manual filing of a paper that is signed by a public officer or employee and that fully discloses a substantial interest or the filing of a copy of the official minutes of a public agency that fully discloses a substantial interest. The filing must be in the special file established pursuant to [A.R.S. § 38-509](#).

“Official records” means the minutes or papers, records and documents maintained by the District for the specific purpose of receiving disclosures of substantial interests required by law.

“Refrain from participating” means the public officer/employee must refrain from voting upon or otherwise participating in any manner as an officer or employee in any decision of a public agency or in any contract, sale, purchase, or decision for which they or their relative has a substantial interest as defined in [A.R.S. § 15-503](#)(B)

“Relative” means a spouse, child, child’s child, parent, grandparent, brother, or sister of the whole or half blood and their spouses and the parent, brother, sister, or child of a spouse as defined in [A.R.S. § 38-502](#)(9).

“Remote interest” is a limited interest as defined by statute that does not disqualify a governing board member or employee from participating in a contract, sale, purchase, or decision, as defined in [A.R.S. § 38-502](#)(10). A Board member’s interest may be a “remote” interest pursuant to [A.R.S. § 38-502](#)(10)(h) if the relative involved is not a dependent (as defined in [A.R.S. § 43-1001](#)) or a spouse.

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“Substantial interest” is any nonspeculative pecuniary or proprietary interest, either direct or indirect, other than a remote interest, as defined in [A.R.S. § 38-502\(11\)](#).

“Transaction” means any contract, sale, purchase or other action between the District and a vendor (as defined below).

“Vendor” means any individual, corporation, partnership, association, nonprofit organization, or any other legal entity that does business with the District.

Prohibition

Board members shall refrain from voting on or otherwise participating in any manner in any district contract, sale, purchase, or decision in which ~~they have~~ **the Board member or a relative has** a substantial interest.

Employees shall ~~not participate in the procurement of~~ **refrain from participating** in any district contract, sale, purchase, or decision in which ~~they have~~ **the employee or a relative has** a substantial interest.

Prohibited Board member and employee Participation may include actions such as approving, developing, introducing, administering, advising, providing information, influencing decisions, or requesting or directing others to approve the matter.

Board members and employees shall not use their official position to secure any valuable benefit for themselves or family members that would not ordinarily accrue to them.

A Board member’s or employee’s failure to recuse themselves from a contract, sale, purchase, or decision in which they have a of interest could result in statutory violations, cancellation of District contracts, removal from office, or criminal penalties pursuant to [A.R.S. § 38-506](#) and [A.R.S. § 38-510](#).

Board Member Relatives

In accordance with [A.R.S. § 15-323](#):

1. Board members may vote on any budgetary, personnel, or other related question before the Board, except:
 - a. It is unlawful for a Board member to vote on a specific item that concerns the appointment, employment, or remuneration of the Board member or a Board member relative **who is a dependent**.

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- b. It is unlawful for any Board member to vote on the employment of **another Board a governing board** member or on the employment of the spouse of a Board member unless specifically permitted by law.
2. In accordance with [A.R.S. § 15-421](#)(D), neither a Board member nor a Board member's spouse may be employed by the District unless specifically permitted by law.
 - a. A Board member must resign from the Board before the Board member or a Board member's spouse accepts any form of employment with the District unless otherwise permitted by law. In accordance with [A.R.S. § 15-502](#), a Board member's dependent may be employed by the District only after receiving specific consent of the Board.
 - b. A District employee or an employee's spouse may run for membership in election to Governing Board during the employee's term of employment after notifying the Superintendent and the Board President of the employee's or spouse's intent to run. If such an employee or the employee's spouse wins the election, the employee must resign from the District before January 1 of the year following the election.
3. [Option for districts that are "small school districts"] A small school district (as defined in [A.R.S. § 15-901](#)) may employ directly or through a third-party contractor a substitute teacher who is related to a member of the Governing Board as the Board member's spouse or immediate family member. If a small school district employs a substitute teacher pursuant to [A.R.S. § 15-421](#)(E), the Governing Board member who is related to the substitute teacher shall be recused from voting on any matter relating to substitute teachers.

Employment of Former Board Member

Pursuant to [A.R.S. § 15-421](#)(E), the District may employ directly or through a third-party contractor an individual who has served as a Governing Board member during the preceding two (2) years only in a position in which the individual will provide services directly to students including: a certificated teacher; a substitute teacher; or an individual who provides transportation, instructional support or student support services.

[Option to increase the time period to more than two (2) years in above paragraph.]

In accordance with [A.R.S. § 15-323](#) and [A.R.S. § 38-503](#):

1. A Board member shall not participate in any manner regarding any transaction or approval of a vendor in which the board member has a substantial interest unless a specific statutory exception applies.
2. A Board member shall not supply to the District any equipment, material, supplies or services, unless pursuant to an award or contract let after public competitive bidding, except:
 - a. [FOR DISTRICTS WITH 3,000 OR MORE STUDENTS]

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In accordance with [A.R.S. § 15-323](#), the District may make purchases from a Board member only if all the following conditions have been met:

- i. The purchase does not exceed \$300.00.
- ii. The total of all purchases (including the contemplated purchase) from any Board member within the previous twelve (**12**) months does not exceed \$1,000.00.
- iii. The decision to purchase has been specifically approved by the Board and has not been delegated to an employee of the District.
- iv. The amount of the purchase or contract for purchase is included in the minutes of the meeting at which the Board approved the purchase.

a. [FOR DISTRICTS WITH FEWER THAN 3,000 STUDENTS]

In accordance with [A.R.S. § 15-323](#), the District may make purchases from a Board member only if all the following conditions have been met:

- i. The purchase amount is less than \$15,000.00 / the amount for which procurement rules require either a written quote from multiple vendors or competitive bidding.]
- ii. The decision to purchase has been specifically approved by the Board and has not been delegated to an employee of the District.
- iii. The amount of the purchase or contract for purchase is included in the minutes of the meeting at which the Board approved the purchase.

Mandatory Disclosure of Conflicts of Interest

A Board member or employee who has or whose relative has a substantial interest in any contract, sale, purchase, or service or decision of the District shall annually make such interest known in the official records of the District. Board members and employees shall promptly update their conflict of interest disclosures if their circumstances change during the school year.

The District shall seek to obtain initial conflict of interest disclosures to be completed within five (5) days of an employee starting employment or a Board member starting a new term. Board members and employees shall update their disclosures within fifteen (15) days of a change in circumstance that results in a conflict of interest.

The District shall implement protocols to ensure that a Board member or employee who has disclosed a substantial interest refrains from voting on or from participating in any manner in the contract, sale, purchase, service or decision.

Maintenance of Disclosure of Conflict of Interest Forms

The District shall maintain disclosures of conflicts of interest and any related documentation in a separate file that shall be available for public inspection in accordance with public records laws and regulations.

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Training

The District shall provide conflict of interest training to all Board members and employees at least annually to ensure Board members and employees understand their responsibilities pursuant to law and District policy and procedures.

Adopted:

Legal Authority:

[A.R.S. §§ 38-501 through 511](#)

[A.R.S. § 15-213](#)

[A.R.S. § 15-323](#)

[A.R.S. § 15-421](#)

[A.R.S. § 15-502](#)

[A.R.S. § 38-509](#)

Form 1-105.A Conflict of Interest Disclosure Form

Arizona law requires school district governing board members and employees to disclose a substantial interest they or their relative(s) have in any district contract, sale, purchase, service, or decision and refrain from participating in such contract, sale, purchase, or decision. A conflict of interest (COI) occurs when a public officer or employee does not follow those requirements and instead uses their official position to secure a valuable benefit for themselves or relatives that would not ordinarily accrue to them in the performance of their official duties. An individual has a substantial interest that must be disclosed when:

- They have a relative who works for the school district (personnel conflict).
- They or their relatives have a direct or indirect, nonspeculative financial or ownership interest in a business or organization that does or may provide goods or services to the school district (vendor conflict).

Relative is defined in [A.R.S. §38-502](#) as a spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister, or child of a spouse. For a governing board member this does not include a relative that is not a dependent, as defined in section [A.R.S. §43-1001](#), based on the defined remote interests in [A.R.S. §38-502](#)(10).

If you have questions about whether or not a conflict exists, please consult request guidance from your building supervisor or the Superintendent's office.

Name: _____ Date: _____

Type of disclosure:

☐ Initial ☐ Annual ☐

Update Select one of the

following:

☐ I am a District employee (includes full-time, part-time, temporary or contract basis).

☐ I am a District governing board member.

Job title (for District employees only): _____

Please initial below to confirm you have read and understand each of the following statements.

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_____ I understand my responsibility for disclosing my and my relative's conflicts of interest as required by [A.R.S. §38-503](#), District policy © 1-105 Conflict of Interest ,and Policy © 3-109 Procurement.

_____ I understand the statutory consequences for noncompliance with conflict of interest requirements as specified in [A.R.S. §38-510](#) as well as any additional consequences imposed in accordance with District policy.

_____ I agree to comply with all conditions or restrictions the District imposes regarding my involvement in matters for which I or my relative have a conflict of interest.

_____ If I become aware of any changes to my or my relative's conflicts of interest, I agree to submit an updated disclosure form and make District management aware within fifteen (15) days of the change.

Disclosures

Select one of the following:

- ☐ I or my relative has **no** substantial interest in any contract, sale, purchase, service, or decision of the District.
- ☐ I or my relative has a substantial interest in a contract, sale, purchase, service, or decision of the District. **(If this box is checked, you must fully describe the conflict(s) in the personnel and/or vendor conflict spaces below.)**

Personnel conflicts (Include relative name(s), position/job title, and nature of the relationship/substantial interest)

Vendor conflicts (Include business/organization name(s) and nature of the substantial interest, including whether it applies to you or your relative)

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By signing below, I attest that I have completed this disclosure to the best of my knowledge and that my statements are true and complete; if a substantial interest has been disclosed, I will refrain from participating in any manner in any contract, sale, purchase, service, or decision for which I or my relative has a substantial interest.

Printed name _____ Date _____

Signature _____

For management completion only.

By signing below, I attest that I have reviewed this disclosure for completeness and have taken appropriate remediating action as indicated below (please select the type of remediation used and describe the specific action taken in the space provided below).

Administrator printed name _____

Date Administrator signature _____

Remediation

☐ **Restrict**—Restrictions will be placed on the employee's/board member's involvement in this matter, and involvement will be monitored.

☐ **Recruit**—A neutral third party will be used to oversee part or all of the process that addresses the matter.

☐ **Remove**—The employee/board member will be removed from their involvement in the matter that created the conflict.

Summary of District remediation action taken:

Policy © 3-102 Revenue

The Governing Board may establish bank accounts as permitted by statute and the Uniform System of Financial Records (USFR). All other funds shall be deposited directly with the County Treasurer or deposited into designated trust accounts as permitted by law.

Monies received from any source shall be accounted for and deposited as permitted by state law and the USFR. Staff shall follow all applicable requirements for the proper collection, supervision, disbursement, record keeping and/or remittance of any funds received.

The Board authorizes an alternative regular deposit schedule if necessary due to any of the following reasons: 1) inclement weather; 2) distance to nearest banking location; 3) nominal amount of deposit; or 4) absence of financial advantage in traveling for the deposit.

The Board shall annually consider and vote on a resolution to the County Treasurer to authorize investments for the following fiscal year.

Student Activities Funds

Pursuant to [A.R.S. § 15-1122](#) *et seq.*, the Board shall appoint a student activities treasurer. The Board may appoint an assistant student activities treasurer for each school in the District.

Student activities fund monies may be invested and reinvested by the Board. All monies earned by investment shall be credited to the student activities fund per [A.R.S. § 15-1123](#).

The treasurer shall maintain a detailed report of all cash receipts, disbursements, transfers, and cash balances of the Student Activities Fund. A report of this information must be presented to the Board at least monthly per [A.R.S. § 15-1123](#).

The Board delegates to the Superintendent authority to pre-approve all student activities fundraising events. The Board retains discretion to approve any individual fundraising event.

List of types of approved fundraisers:

1. Sales of goods and merchandise: the sale of tangible goods, including food and beverages, apparel, flowers, plants, spirit items, handmade products, printed materials, discount cards, gift cards, and similar merchandise.
2. Sales of services: fundraising through the provision of services performed by students or school organizations.
3. Performance, entertainment, and admission events: fundraising through performances, competitions, exhibitions, dances, carnivals, festivals, tournaments, clinics, or other events for which admission, participation, concessions, sponsorships, or related items are sold.
4. Revenue-sharing and partnership fundraisers: fundraising conducted through agreements with restaurants, retailers, entertainment venues, professional

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sports organizations, or other businesses that share a portion of their revenue with the school or student organization.

5. Donation and crowdfunding campaigns: fundraising consisting primarily of voluntary donations, whether conducted in person or through approved electronic fundraising platforms.
6. School and community giving campaigns: fundraising conducted to benefit charitable organizations, community service projects, humanitarian efforts, or schoolwide initiatives approved by the District.
7. Student activity concessions: the sale of food, beverages, and other approved items in connection with school-sponsored events.
8. Other fundraising activities: other fundraising activities that are substantially similar to the foregoing categories and that are approved by the Superintendent in accordance with Board established parameters.

The Superintendent may establish procedures to implement student fundraising. Student fundraising shall comply with all Board-approved parameters, including but not limited to those enumerated in Procedure 5-212.B. The Board shall receive monthly

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student activities fund reports of cash receipts, disbursements, transfers and cash balances

Adopted:

Legal Authority:

[A.R.S. § 15-341](#)

[A.R.S. § 15-342](#)

[A.R.S. § 15-1024](#)

[A.R.S. § 15-1025](#)

[A.R.S. § 15-1101](#)

[A.R.S. § 15-1102](#)

[A.R.S. § 15-1105](#)

[A.R.S. § 15-1121](#) *et seq.*

[A.R.S. § 15-1141](#) *et seq.*

[A.R.S. § 15-1221](#) *et seq.*

Uniform System of Financial Records

Procedure © 3-102.A Revenue - Accounting of Revenue

A. Separation of Responsibility

The District administration shall separate the following responsibilities to ensure adequate internal control over revenue collections:

- **Cash handling—Staff shall receive cash and card payments, issue receipts, and prepare cash collection documentation.**
- **Review/deposit—Staff shall use prenumbered cash receipt books, ticket logs, and cash collection documentation; review and approve receipts and collection documentation; and deposit revenues at the financial institution or County Treasurer.**
- **Recordkeeping—Staff shall record transactions in the accounting records and reconcile bank accounts.**

B. Deposits-Schedule

The District should deposit all revenue received intact daily when significant or at least weekly. The District may either deposit revenues directly to the County Treasurer or into an authorized district bank account, including clearing bank accounts, for later transmittal to the County Treasurer.

The District shall deposit all revenues received with the County Treasurer at least monthly, except student activities and auxiliary operations monies maintained in accordance with [A.R.S. §§ 15-1122](#) and [15-1126](#), grants and gifts to teachers maintained in accordance with [A.R.S. § 15-1224](#), employee insurance program monies maintained in accordance with [A.R.S. § 15-1223](#), and extracurricular activities fees tax credit monies if deposited in an auxiliary operations bank account. [A.R.S. § 15-341](#)(A)(19) and (20).

C. USFR Compliance

Staff shall follow all requirements with respect to the proper collection, supervision, disbursement, recording keeping and/or remittance of any funds received as established in the Uniform System for Financial Records (USFR). Any staff with responsibility for handling cash accounts or depositing funds shall adhere to all security control requirements established by the District.

The District shall adhere to the accounting requirements for the accounting of revenue as issued in the USFR., ~~§ VI-F.~~

D. Online Payment Systems

The District permits the use of online payment systems that have adequate controls to meet the requirements of the USFR. Deposits may only be made into

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district accounts. The District does not approve the use of peer-to-peer mobile apps such as Zelle, Venmo, or Cash App due to inadequate controls.

Procedure © 3-102.C Revenue - Bank Accounts

A. Bank Accounts

The Governing Board has authorized bank accounts as permitted by state law and as designated in the Uniform System of Financial Records (USFR). ~~§ VI-C~~ The District shall maintain a current list of employees who are authorized to have access to each account. The District shall follow guidance in the USFR regarding access, use and accounting procedures for each operating bank account. The bank accounts shall be established in the legal name of the District. Inactive bank accounts will be closed promptly.

B. Deposits

The District may use mobile bank deposits. The District shall maintain effective controls to ensure all monies are deposited, deposited checks are held securely for an appropriate time and then destroyed, and evidence of deposits ~~are is~~ retained. ~~The District shall establish controls over deposits, including but not limited to:~~ The District shall establish appropriate controls over deposits compliant with the USFR by taking actions that include, but are not limited to, the following:

1. stamp or otherwise endorse the original check before scanning and depositing;
2. limit access to mobile banking only to authorized personnel and to the extent possible, only for deposits;
3. properly log off ~~of~~ the banking website when mobile deposits are completed;
4. mark the check to indicate that it has been deposited to prevent duplicate deposits;
5. securely store the deposited checks in a locked safe or other locked area such as a filing cabinet for an appropriate period, depending on the bank's requirements and the District's policies or procedures.
6. Maintain a log or journal of the checks deposited;
7. Keep the deposit receipt, if provided, and any deposit notification emails or reports that may follow to support the deposit;
8. review bank reconciliations to detect any inappropriate use of the online access established to make deposits, such as transfers to other accounts or online payments initiated from any account other than the electronic payments clearing bank account;
9. maintain deposited checks until the applicable bank account is reconciled and any discrepancies have been resolved;
10. destroy deposited checks after reconciliation by shredding them after holding them for the appropriate length of time from deposit; and
11. involve two (2) employees in the shredding of deposited checks and record the deposited checks' destruction in the log or journal of processed deposits.

C. Reconciliation

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A bank reconciliation shall be prepared monthly for each bank account and evidence of the reconciliation shall be documented and retained. An employee who is not responsible for handling cash or for issuing checks should prepare the bank reconciliation. If the employee preparing bank reconciliations must also be involved in handling cash or issuing checks, the employee's supervisor or another administrator must review and approve the reconciliations, and evidence of the review shall be documented and retained.

D. Bank Fees

The District is authorized to pay bank fees from the following accounts:

1. Maintenance and Operation Fund revolving bank account;
2. Food Service Fund revolving bank account;
3. Auxiliary Operations Fund bank account; and
4. Auxiliary Operations Fund revolving bank account.

The District shall require that bank fees associated with any other bank account be charged directly to one of the authorized accounts listed above. If that is not possible, the District shall reimburse the fees from an appropriate fund or authorized bank account.

E. Signators

The Board shall authorize two signators and custodians for each bank account. A list of authorized check signers designated by the Board for each bank account shall be kept current. Persons authorized to access a bank account will be bonded if required by law.

F. Online Banking Access

The District authorizes secure online banking access and shall designate authorized users who shall have access as necessary and as related to their job function. District personnel who are approved to access online banking may only do so for authorized purposes and upon authorized devices. Employees may not access district bank accounts on personal devices such as cellular telephones, except as required for multi-factor authentication.

Procedure © 3-102.D Revenue - Cash Control

The term "cash" includes currency on hand, such as petty cash funds and cash receipts not yet deposited; negotiable instruments, such as drafts, checks, warrants, and money orders; and balances on deposit with financial institutions such as commercial banks and county treasurers.

A. Internal Controls

The purpose of this Procedure is to establish and maintain effective internal controls to safeguard cash, prevent loss or misuse, provide prompt and intact depositing, and ensure accurate recording.

Cash should be deposited daily, if significant, or at least weekly. "Significant" is defined as three thousand dollars (\$3000) or more.

The District shall adhere to the following internal control procedures:

1. Cash-handling and recordkeeping functions should be separated among employees to safeguard cash. Whenever cash is involved, it is recommended that two people share the job of recording, counting, and verifying each other's amounts.
2. Cash received by the District should be promptly recorded and accurately classified in accordance with the Uniform System of Financial Records (USFR) Chart of Accounts. ~~Section III.~~
3. Employees handling significant amounts of cash should be adequately bonded if statutorily required.
4. Evidence of receipt should be prepared for each cash payment received. For example, sequentially numbered transactions generated by a computer system or cash register or prenumbered and numerically controlled handwritten cash receipt forms may be used.
5. **Employees receiving cash should immediately count and secure the cash in a locked safe, cash register, cabinet, drawer, or cash box. In all locations where cash is received, it should be immediately safeguarded in a locked cash drawer or cash register.** ~~In all locations where cash is received, it should be immediately safeguarded in a locked cash drawer or cash register.~~ Cash not being deposited the same day as received should be secured in a safe or locked cabinet while awaiting deposit.
6. Access to cash should be limited to only those employees who require access. All safe combinations and keys to cash boxes or files must be restricted to ~~only an essential number of employees~~ **a limited number of employees with oversight responsibility.**
7. **Combinations, passwords, or keys distributed to employees should be logged and monitored. Districts should update combinations or**

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- passwords and collect keys when an employee leaves or changes job duties, or if security is compromised. Any unused keys should be stored in a secure location, and the District should document where the keys are stored and the employee who is responsible for them. Districts should verify that all keys are accounted for at least annually.**
8. All District monies on deposit with financial institutions must be covered by insurance or collateralization agreements.
 9. Checks, warrants, drafts, and money orders should be restrictively endorsed "for deposit only" to the credit of the District immediately upon receipt.
 10. ~~Cash received should be deposited daily. In no event shall District personnel hold cash for more than one work week without depositing the cash.~~
 11. Evidence of deposits received from financial institutions should be retained for all deposits, such as a deposit posting report from the County Treasurer, validated deposit slip or treasurer's receipt.
 12. Disbursements from authorized bank accounts should be made with sequentially numbered checks or electronic fund transfers from eligible bank accounts. Each check should have a dollar limit and be marked "void after six (6) months" to reduce loss exposure and ensure prompt cashing by the payee.
 13. Checks should be properly completed before issuance and should not be made payable to cash or bearer. Voided checks should be so marked to prevent reuse and retained and made available to the employee performing bank account reconciliations.
 14. Unused checks and check stock should be physically safeguarded and access to them limited to authorized personnel who are not check signers.
 15. If electronic signatures or signature stamps are used to sign checks, they should be safeguarded and access to them limited to only the employees whose signature they represent.
 16. **If checks are scanned and deposited, the checks must be restrictively endorsed before deposit and marked immediately after as deposited. Employees shall document the amount deposited and retain the receipt. Checks deposited electronically shall be maintained in a locked area and destroyed after the requisite holding period.**

B. Petty Cash or Change Fund Accounts

Petty cash **or change fund** accounts for minor disbursements may be established by warrants drawn on the Maintenance and Operation (M&O) Fund or checks drawn on the M&O Fund revolving bank account. The petty cash accounts must be authorized by the Governing Board and maintained on an imprest basis where the total petty cash on hand plus any petty cash withdrawal requests equals the authorized amount at all times.

Petty cash accounts may be used for minor disbursements when checks are not practical or immediate cash payments are required. One employee shall be designated the petty cash account custodian for each petty cash account. The account custodian

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should ensure that cash is safeguarded in a locked cabinet or safe. Access to petty cash should be limited to the account custodian and the custodian's supervisor.

The petty cash accounts should be closed at fiscal year-end and the cash returned to the M&O Fund or revolving bank account as applicable.

Procedure © 3-109.C Procurement - Statutory Exemptions

The Districts must follow the procurement rules adopted by the State Board of Education in [Ariz. Admin. Code R7-2-1001](#) *et seq.* for purchases exceeding \$100,000 except for sixteen (16) exempted items described in [Ariz. Admin. Code. R7-2-1002\(C\)](#), including but not limited to the following:

- expenditures from student activity monies as defined in [A.R.S. § 15-1121](#), if no District funds are involved (see [A.A.C. R7-2-1002\(C\)\(6\)](#));
- expenditures for Governing Board–adopted textbooks as defined in [A.R.S. §§ 15-721](#) and [15-722](#), if purchased from the publisher (see [A.A.C. R7-2-1002\(C\)\(7\)](#)); and
- purchases of professional certifications, professional memberships, conference registrations, conference hotels and airfare that meets Arizona Department of Administration requirements (see [A.A.C. R7-2-1002\(C\)\(1\)](#)).

B. Special Education Services

The District is not required to engage in competitive bidding to place a student in a private school that provides special education services if such placement is prescribed in the student's individualized education program and the private school has been approved by the Arizona Department of Education Division of Exceptional Student Services.

Pursuant to [A.R.S. § 41-2636](#), the District may, without competitive bidding, purchase or contract for any products, materials, and services directly from certified nonprofit agencies that serve individuals with disabilities and Arizona correctional institutions if the delivery and quality of the goods, materials or services meet the District's reasonable requirements.

C. Intergovernmental Agreements

Intergovernmental agreements and contracts between school districts or between the District and other governing bodies are exempt from competitive bidding.

D. Insurance

The District is not required to engage in competitive bidding to make a decision to participate in insurance programs or purchase re-insurance subject to the parameters of [A.R.S. § 15-213](#) and [A.R.S. § 15-382](#).

E. Funds Held In Trust

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~~The District may be exempt from procurement compliance requirements when spending extracurricular activity fees, tax credit contributions, and monies held in trust by the District, such as student activity funds. Competitive bidding may be required if the expenditure is used to procure goods or services from a District employee or Governing Board member.~~