

**Board of Education**

**ACTION**

**TITLE:** Consider Adopting Financial Policy Changes for Second Reading

**DATE:** December 10 2018

**RESPONSIBLE ADMINISTRATOR:** Charles Warren  
Chief Financial Officer

**BACKGROUND/CONSIDERATIONS:**

The administration desires to revise current policies to the structure and language used in the model policies provided by Arkansas School Board Association (ASBA). The new policies will have specific references to Arkansas statutes in the policies and can be quickly updated as statutes change.

During the administration’s review the current policies in comparison to ASBA model policies, a number of current policies were outdated and not necessary. Additional policies that previously were not addressed will be introduced for approval. The following table shows the transition of current policies to the new policies.

<b>Current Section</b>	<b>Title</b>	<b>Proposed Section</b>
DA	Fiscal Management Goals	n/a
DBH	Budget Adoption	7.2
DFA	Revenues from Investments	n/a
DFB	Revenues from School-Owned Real Estate	n/a
DFBA	Sale of Real Property	7.13
DG	Depository of Funds	n/a
DIC	Financial Reports and Statements	7.2
DIDA	Inventory of Fixed Assets	7.13
DIF	Financial Records	7.15
DIG	Imprest Account	7.7.1
DJA	Purchasing Authority	7.5
DJAA	Electronic Transfer of Funds	7.20
DJC	Bidding Requirements	7.5
DJFAA	Procedure for Requisitioning	n/a
DN	School Properties Disposal Procedure	7.13

The ASBA model policies included policies that the administration is still reviewing to determine if the policy is necessary and appropriate. The following table provides an explanation of the sections labeled as “Reserved”:

<b>Proposed Section</b>	<b>Title</b>	<b>Explanation of Reserved Designation</b>
7.4	Grants and Special Funding	Closer review of policy is necessary
7.16	Information Technology Security	Closer review of policy is necessary
7.21	Naming School Facilities	Not considered necessary at this time
7.22	Private Sponsorship of Extracurricular Events	Closer review of policy is necessary
7.23	Healthcare Coverage and the Affordable Care Act	Not considered necessary – Procedures preferred over policy

The administration is currently working on procedures to support the new language in the revised policies. Therefore, the policies are requested to be effective July 1, 2019.

**RECOMMENDATION:**

The administration recommends the board approve on second reading changes to Financial Policies, Section 7 – Business and Financial Management, as presented to be effective July 1, 2019.

If the Board agrees, the motion would read: ***move to approve on second reading the Financial Policies, Section 7 – Business and Financial Management as presented to be effective July 1, 2019.***