

First Reading 727 - Asset Protection: Requires the superintendent to protect the school district's assets, insure against loss, limit liability, and maintain other safeguards. **I recommend first reading.** School board action is not required.

Adopted: _____

Revised: _____

727 ASSET PROTECTION

I. PURPOSE

The purpose of this policy is to protect the assets of the school district.

II. GENERAL STATEMENT OF POLICY

The Superintendent shall not allow assets to be unprotected, inadequately maintained, or unnecessarily risked.

The Superintendent shall not:

- A. Fail to insure against theft and casualty losses to 100% of replacement value and against liability losses to School Board members, the staff, and the organization itself.
- B. Allow unbonded personnel access to material amounts of funds.
- C. Subject facilities and equipment to improper wear or insufficient maintenance.
- D. Unnecessarily expose the organization, its Board, or staff to claims of liability.
- E. Make any purchase without considering
 - i. Reasonable protection against conflict of interest
 - ii. Comparative prices based on items of similar quality
 - iii. The balance between long-term quality and cost
- F. Fail to use competitive bidding procedures as required by law.
- G. Fail to protect intellectual property, information and files from loss or significant damage.
- H. Fail to preserve and dispose of all records related to affairs or business of the district in accordance with state and federal law.
- I. Receive, process, or disburse funds under controls, which are insufficient to meet the standards of the auditor appointed by the School Board.
- J. Invest or hold operating capital in insecure instruments including uninsured checking or savings accounts according to state law.

Legal References: Minn. Stat. 123B.77 (Accounting, Budgeting and Reporting Requirements)
Minn. Stat. 471.345 (Uniform Municipal Contracting Law)
Minn. Stat. 123B.02 (School District Powers)
Minn. Stat. 123B.51 (Schoolhouse and Sites; Access for Noncurricular Purposes)

Cross References: Policy 702 (Accounting)
Policy 703 (Annual Audit)