

MEMO TO: BOARD MEMBERS

FROM: JOHN SIMPSON

DATE: JANUARY 20, 2017

RE: BOE Policy Subcommittee Item of Consideration

The following is an item of consideration containing recommendations from the BOE Policy Subcommittee. These changes were presented during our January 9th meeting (DIE-AP1 on September 26) and are now placed on the agenda for approval at the January 23rd meeting. Please feel free to contact one of the committee members with any questions.

Policy	Title	Type of Change	Recommended Change
AFA	Data Reporting	Current	Accept Policy Committee Revisions Noted on Attached Draft Policy
BBFA	Board Member Conflict of Interest and Financial Disclosure	Current	Accept MSBA Recommendations
DD	Grants	Minor	Accept Policy Committee Revisions Noted on Attached Draft Policy and MSBA Recommendations
DIE	Audits	Minor	Accept Policy Committee Revisions Noted on Attached Draft Policy and MSBA Recommendations

DIE-AP1	Audits (Process)	Current	Accept MSBA Recommendations
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Types of Changes:

Grammar: Grammatical

Minor Minimal word changes not impacting current practice

Major: Major change that impacts current practice

Current: Changes that better reflect current practice

RECOMMENDED BOARD ACTION.....approve recommendations.

REFERENCE COPY

FILE: AFA
Basic

EXPLANATION: DATA REPORTING

This is a **NEW** policy for district consideration. Certain reports are listed as part of the Board secretary's duties in BCC. In addition, reports are referenced in GBEBA, IGDB, IL, JEA, JFCJ, JFCH and JHG.

In many districts, individuals other than the superintendent are responsible for submitting certain information. For example, the special education director is often responsible for reporting special education data, the food service director is responsible for data in the food service area and nurses are often responsible for student health data. MSBA encourages districts to customize this policy by identifying individuals other than the superintendent who are responsible for reporting.

MSBA recommends that copies of this document be routed to the following areas because the content is of particular importance to them. The titles on this list may not match those used by the district. Please forward copies to the district equivalent of the title indicated.

	Board Secretary	X	Business Office		Coaches/Sponsors
	Facility Maintenance		Food Service		Gifted
	Human Resources		Principals		Library/Media Center
	Health Services		Counselor		Special Education
	Transportation		Public Info/Communications		Technology

FILE: AFA
Basic


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FILE: AFA
Basic

DATA REPORTING

Timely reporting of data to state and federal authorities is important to the administration of district programs. Unless otherwise specified in Board policy or administrative procedures, the superintendent is responsible for the timely and accurate reporting of data to the Department of Elementary and Secondary Education (DESE), the U.S. Department of Education or other agencies in accordance with the annual data acquisition calendar provided by DESE.

The superintendent  or designee will make a record of the date on which data was reported and the entity to which the data was reported and will provide a copy of all reports to the custodian of records.

Delegation of Responsibility

~~The superintendent may delegate reporting responsibility to other district staff as appropriate. Any person delegated reporting responsibilities will make a record of the date on which data was reported and the entity to which the data was reported and will ensure that a copy of the report is provided to the custodian of records.~~

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Note: The reader is encouraged to check the index located at the beginning of this section for other pertinent policies and to review administrative procedures and/or forms for related information.

Adopted:

Webster Groves School District, St. Louis, Missouri

REFERENCE COPY

FILE: BBFA
Critical

EXPLANATION: BOARD MEMBER CONFLICT OF INTEREST AND FINANCIAL DISCLOSURE

Pursuant to new federal regulations governing the use of federal funds, currently referred to as the Uniform Grant Guidance (UGG), districts are required to adopt written procurement procedures by July 1, 2016, that conform to federal rules. MSBA has created new policy DJFA to meet this requirement, and a full explanation is included with that policy. MSBA has added language to this policy indicating that the provisions of policy DJFA and related procedures must be followed when federal funds are used.

MSBA recommends that copies of this document be routed to the following areas because the content is of particular importance to them. The titles on this list may not match those used by the district. Please forward copies to the district equivalent of the title indicated.

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	Facility Maintenance		Food Service		Gifted
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	Transportation		Public Info/Communications		Technology

FILE: BBFA
Critical

REFERENCE COPY

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FILE: BBFA
Critical

BOARD MEMBER CONFLICT OF INTEREST AND FINANCIAL DISCLOSURE

All directors of the Webster Groves School District Board of Education shall adhere to the laws regarding conflict of interest and avoid situations where their decisions or actions in their capacity as Board members conflict with the mission of the district.

Purchases Involving Federal Funds

In addition to the requirements of this policy, Board members must follow the provisions of policy DJFA and related procedures and are also subject to the conflict of interest provisions of federal law.

Definitions

Business with Which a Board Member Is Associated – For the purposes of this policy:

1. A sole proprietorship owned by the Board member, his or her spouse or any dependent children in the Board member's custody;
2. A partnership or joint venture in which the Board member or his or her spouse is a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the Board member is an officer or director or of which the Board member or his or her spouse or dependent children in the Board member's custody, whether singularly or collectively, own more than ten percent of the outstanding shares of any class of stock or partnership units; or
3. Any trust in which the Board member is the trustee or settlor or in which the Board member or his or her spouse or dependent children in his or her custody, whether singularly or collectively, are beneficiaries or holders of a reversionary interest of ten percent or more of the corpus of the trust.

Fourth Degree of Consanguinity or Affinity – Includes parents, grandparents, great-grandparents, great-great-grandparents, spouse, children, siblings, grandchildren, great-grandchildren, great-great-grandchildren, nieces, nephews, grand-nieces, grand-nephews, aunts, uncles, great-aunts, great-uncles, and first cousins by virtue of a blood relationship or marriage.

Special Monetary Benefit – Being materially affected in a substantially different manner or degree than the manner or degree in which the public in general will be affected or, if the matter affects only a special class of persons, then affected in a substantially different manner or degree than the manner or degree in which such class will be affected.

Substantial Interest – A substantial interest exists when the Board member or his or her spouse or dependent children in his or her custody, either singularly or collectively, directly or indirectly:

1. Own(s) ten percent or more of any business entity; or
2. Own(s) an interest having a value of \$10,000 or more in any business entity; or
3. Receive(s) a salary, gratuity or other compensation or remuneration of \$5,000 or more from any individual, partnership, organization or association within any calendar year.

Sale, Rental or Lease of Personal Property (Property Other Than Real Estate)

No elected or appointed official of the district shall sell, rent or lease any personal property to the school district for consideration in excess of five hundred dollars' value per transaction or five thousand dollars' value per year to him or her, to his or her spouse, to a dependent child in his or her custody or to any business with which he or she is associated unless the transaction is made pursuant to an award on a contract let or sale made after public notice and competitive bidding, provided that the bid or offer accepted is the lowest received.

Sale, Rental or Lease of Real Property (Real Estate)

No elected or appointed official of the district shall perform a service or sell, rent or lease any real property to the school district for consideration in excess of five hundred dollars' value per transaction or five thousand dollars' value per year to him or her, to his or her spouse, to a dependent child in his or her custody or to any business with which he or she is associated unless the transaction is made pursuant to an award on a contract let or sale made after public notice.

Employment

The district shall not employ Board members for compensation even on a substitute or part-time basis. The district will not accept applications of employment from Board members, consider Board members for employment or decide to employ Board members while they remain on the School Board. Board members may provide services on a volunteer basis.

Independent Contractor Services

No elected or appointed official of the district shall perform service as an independent contractor for consideration in excess of five hundred dollars' value per transaction or five thousand dollars' value per year to him or her, to his or her spouse, to a dependent child in his or her custody or to any business with which he or she is associated unless the transaction is made pursuant to an award on

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FILE: BBFA
Critical

a contract let or sale made after public notice and competitive bidding, provided that the bid or offer accepted is the lowest received.

Businesses That Employ Board Members

A Board member may participate in discussions and vote on motions for the district to do business with entities that employ the Board member as long as the business is not owned by the Board member and the Board member will not receive any financial benefit from the transaction. The Board member may need to submit a statement of interest as described below.

Statement of Interest

Before voting, Board members who have a substantial personal or private interest in a decision before the Board shall provide a written report of the nature of the interest to the Board secretary. The written statement will be recorded in the minutes. Board members who have disclosed the interest in a financial interest statement filed or amended prior to the vote will be in compliance with this requirement.

Self-Dealing

1. Board members may not act or refrain from acting by reason of any payment, offer to pay, promise to pay or receipt of anything of actual pecuniary value, whether received or not, to themselves or any third person. This includes a gift or campaign contribution made or received in relationship to or as a condition of the performance of an official act.
2. Board members shall not favorably act on any matter that is specifically designed to provide a special monetary benefit to them, their spouses or dependent children in their custody.
3. Board members will not use their decision-making authority for the purpose of obtaining a financial gain that materially enriches them, their spouses or dependent children in their custody by acting or refraining from acting for the purpose of coercing or extorting anything of actual pecuniary value.
4. Board members shall not offer, promote or advocate for a political appointment in exchange for anything of value to any political subdivision.
5. Board members will not accept gifts with a value in excess of \$100 from a vendor who does or is attempting to do business with the district.
6. A Board member will not attempt to directly or indirectly influence or vote on a decision when the Board member knows the result of the decision may be the acceptance by the

district of a service or the sale, rental or lease of property to the district and the Board member, his or her spouse, dependent children in his or her custody or any business with which the Board member is associated will benefit financially. If such a transaction is presented to the Board, the Board member will abstain and leave the room during any deliberation.

Use of Confidential Information

Board members shall not use or disclose confidential information obtained in the course of or by reason of their official capacities in any manner with intent to result in financial gain for themselves, their spouses, dependent children in their custody, any business with which the Board member is associated or any other person.

Even when there is no financial gain involved, failure to keep information confidential violates Board ethics and Board policy and could also violate state and federal law.

Nepotism

Board members shall not vote to employ or appoint any person who is related to them within the fourth degree by consanguinity or affinity. In the event that an individual is recommended for employment or appointment and the individual is related within the fourth degree to a Board member, the related Board member shall abstain from voting.

For the purposes of this section, to "employ" includes hiring persons to be employees of the district and approving independent contractors who provide services to the district.

Financial Interest Statements

The Webster Groves School District Board of Education hereby adopts a policy establishing and making public its own method of disclosing financial interests of Board members, candidates and specified administrators, in accordance with law. Financial interest statements (also known as personal financial disclosure statements) as described below shall be filed with the Missouri Ethics Commission (MEC) and the Webster Groves School District Board of Education on or before May 1 for the preceding calendar year. Board candidates for open positions must file their reports within 14 days after the last day to file for office. The reports will be made available for public inspection and copying during normal business hours.

This portion of the policy dealing with the financial interest statement will be adopted in an open meeting every other year by September 15. A certified copy of this policy shall be sent to the MEC within ten days of adoption.

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FILE: BBFA
Critical

Board Member Disclosure

All School Board members and candidates for School Board will file the short-form version of the MEC's financial interest statement each year. This form is also known as the "Financial Disclosure Statement for Political Subdivisions." School Board members and candidates will report the following transactions if they occurred during the previous calendar year. If no such transactions occurred, the Board member or candidate will still file, but will mark the items as not applicable.

1. Each transaction in excess of \$500 per year between the district and the individual or any person related within the first degree by consanguinity or affinity to the individual. The statement does not need to include compensation received as an employee or payment of any tax, fee or penalty due the district and other transfers for no consideration to the district. The statement shall include the dates and identities of the parties in the transaction.

"First degree of consanguinity or affinity" includes parents, spouse or children by virtue of a blood relationship or marriage.

2. Each transaction in excess of \$500 between the district and any business entity in which the individual has a substantial interest. The statement does not need to include any payment of tax, fee or penalty due the district or payment for providing utility service to the district and other transfers for no consideration to the district. The statement shall include the dates and identities of the parties in the transactions.

Superintendent, Chief Purchasing Officer and General Counsel Disclosure

The superintendent, chief purchasing officer and general counsel, if employed full-time, will file the short-form version of the MEC's financial interest statement each year. This form is also known as the "Financial Disclosure Statement for Political Subdivisions." These employees will report the following transactions if they occurred during the previous calendar year. If no such transactions occurred, these employees will still file, but will mark the items as not applicable.

These employees will disclose in writing the information required in 1) and 2) above. In addition, these employees will disclose the following information for themselves, their spouses and dependent children in their custody:

1. The name and address of each employer from whom income of \$1,000 or more was received during the year covered by the statement.
2. The name and address of each sole proprietorship the individual owned.

3. The name, address and general nature of business conducted by each general partnership or joint venture in which he or she was a partner or participant.
4. The name and address of each partner or coparticipant in the partnership or joint venture unless the information is already filed with the secretary of state.
5. The name, address and general nature of business of any closely held corporation or limited partnership in which the individual owned ten percent or more of any class of the outstanding stock or limited partners' units.
6. The name of any publicly traded corporation or limited partnership that is listed on a regulated stock exchange or automated quotation system in which the individual owned two percent or more of any class of outstanding stock, limited partnership units or other equity interests.
7. The names and addresses of each corporation for which the individual served in the capacity of director, officer or receiver.

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Note: The reader is encouraged to check the index located at the beginning of this section for other pertinent policies and to review administrative procedures and/or forms for related information.

Readopted: 09/09/2002; 09/13/2004; 08/28/2006; 08/25/2008; 05/10/2010; 11/09/2010;
11/14/2011; 06/18/2013; 08/10/2015

Adopted: 09/13/1993

Revised: 12/14/1998; 03/12/2007; 08/25/2014;

Cross Refs: DA, Fiscal Responsibility
DD, Grants
DJF, Purchasing
DJFA, Federal Programs and Projects
FEF, Construction Contracts Bidding and Awards
GBCA, Staff Conflict of Interest
GBL, Personnel Records
GCD, Professional Staff Recruiting and Hiring

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GDC, Support Staff Recruiting and Hiring
JO, Student Records

Legal Refs: Mo. Const. art. VII, § 6
§§ 105.450 - .458, .461, -.462, .466, -.467, .472, .476 - .492, 162.261, .391,
168.126, 171.181, RSMo.
2 C.F.R. § 200.22, .23, .38, .92, .112, .113, .317, .318, .338
State v. Rhoads, 399 S.W.3d 905 (Mo.App.W.D. 2013)

Webster Groves School District, St. Louis, Missouri

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FILE: DD
Basic

EXPLANATION: GRANTS

Pursuant to new federal regulations governing the use of federal funds, currently referred to as the Uniform Grant Guidance (UGG), districts are required to adopt written procurement, conflict of interest, and gratuity procedures by July 1, 2016, that conform to federal rules. MSBA has created a new policy to meet this requirement (policy DJFA) and modified this policy as well. A more detailed explanation is included with policy DJFA.

MSBA recommends that copies of this document be routed to the following areas because the content is of particular importance to them. The titles on this list may not match those used by the district. Please forward copies to the district equivalent of the title indicated.

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	Facility Maintenance		Food Service		Gifted
	Human Resources		Principals		Library/Media Center
	Health Services		Counselor		Special Education
	Transportation		Public Info/Communications		Technology

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Basic

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FILE: DD
Basic

GRANTS

Application for Grants

board

The ~~district~~ directs the superintendent or designee to pursue all grants and other alternative sources of funds, goods and services that are consistent with the district's goals and educational strategies and that ~~will~~ enhance the educational offerings of the district.

All grants must:

1. Be based on a specific set of internal objectives that relate to the established goals of the district.
2. Provide measures for evaluating whether project objectives are being or have been achieved.
3. Conform to state and federal laws and ~~to~~ the policies of the Board in the execution of the project.

All grant proposals shall be approved by the superintendent or designee before being submitted to the funding agency regardless of the amount of funding involved. The superintendent or designee will determine whether the district has the appropriate staff to support the grant project and ~~to~~ maintain accurate records required by the granting entity, as well as adequate resources if matching funds are required.

All grants that involve district property, students or personnel in their capacity as employees are considered district grants and are subject to the requirements of this policy. No individual will use grant proceeds without administrator permission.

Administration of Grants

~~Every grant involving the district must have a designated contact for the grant who is an employee of the district to~~ The superintendent or designee(s) must designate a district employee as the grant contact for any grant involving the district. The designated grant contact will oversee grant activity and ensure compliance with this policy.

All grant funds received must be deposited in district accounts. District policies regarding purchasing, expenditure of funds and employment will be followed when expending grant funds. Staff positions created through grant funding will be filled pursuant to Board policy.

The district will keep a ~~Accurate records will be kept of all grant expenditures for each grant.~~ An annual report will be provided to the superintendent or designee on the status of ~~the~~ grant programs,

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participation in ~~the~~ programs and the success of ~~the~~ programs. In addition, the Board of Education will be provided an annual report of grants received.

Federal Grants

Grants that fund federal programs will be implemented in accordance with the provisions of Board purchasing policies DJF and DJFA, and their accompanying procedures, and Board conflict of interest policies BBFA and GBCA.

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Note: The reader is encouraged to check the index located at the beginning of this section for other pertinent policies and to review administrative procedures and/or forms for related information.

Adopted: 09/09/2013

Revised:

Cross Refs: BBFA, Board Member Conflict of Interest and Financial Disclosure
GBCA, Staff Conflict of Interest
GCD, Professional Staff Recruiting and Hiring
GDC, Support Staff Recruiting and Hiring

Webster Groves School District, St. Louis, Missouri

REFERENCE COPY

FILE: DIE
Critical

EXPLANATION: AUDITS

The Department of Elementary and Secondary Education (DESE) has revised 5 C.S.R. 30-4.030, its regulation regarding school district audits. This policy was revised to comply with that new regulation. To view the new regulation, go to:

<http://s1.sos.mo.gov/cmsimages/adrules/csr/current/5csr/5c30-4.pdf>.

In addition, MSBA has made the following revisions:

1. The DESE regulation prohibits auditors who have been suspended or debarred from doing business with the federal government from conducting an audit of federal funds. MSBA has expanded this expectation to apply to audits of any district funds, not just federal funds. MSBA has also adopted for all district auditors the federal requirement that prohibits the district from using auditors who have been debarred from doing business with the state.

2. MSBA has clarified the district's obligations to provide information to the public regarding the district's audit. Specifically, § 165.121, RSMo., requires the district to publish a summary of the audit that includes the following:

- (1) A summary statement of fund balances and receipts and disbursements by major classifications of each fund and all funds;
- (2) A summary statement of the scope of the audit examination; and
- (3) The auditor's opinion on the financial statements included in the audit report.

The summary must be "published once in a newspaper within the county in which all or a part of the district is located which has general circulation within the district. . . ." If there is no newspaper that meets this criteria, the district is required to post the summary in at least five public places within the district. The summary must state where the public may go to view the full audit report. MSBA has assumed that most districts would direct the public to the superintendent's office.

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FILE: DIE
Critical

AUDITS

The assets of the ^{district}~~Webster Groves School District~~ will be professionally and transparently managed in accordance with law and the high expectations of the Board and the community. The superintendent or designee will ensure that the district's financial statements accurately reflect the district's financial position and that all applicable state and federal laws are followed.

The ~~Webster Groves School District~~ will retain an independent auditor at the close of each fiscal year for the purpose of auditing and making necessary reports to the Board of Education, ~~and the Missouri Department of Elementary and Secondary Education (DESE) and the federal government.~~ The Board directs all district employees to cooperate with and assist the auditor so that the Board may obtain a fair and accurate report.

The cost of the audit and reports shall be paid from the incidental fund of the district.

Auditor Selection

The Board will procure the services of the independent auditor by competitive ^{new} bid pursuant to Board policy. The independent auditor must hold a current permit to practice public accounting in the state of Missouri and ~~must~~ meet the requirements for continuing education and peer review as defined by the Missouri State Board of Accountancy and *Government Auditing Standards*. The district will request a copy of the audit organization's peer review report. The independent auditor cannot be suspended or debarred from doing business with the state or federal government. All subcontractors must also meet these requirements. Selection of the independent auditor will be by competitive bid every five years pursuant to Board policy or as directed by the Board.

Scope of Audit

All requests for audit services will clearly identify the scope of the audit.

The audit shall be made in accordance with generally accepted auditing standards, government auditing standards, federal audit standards, and DESE audit guidelines. The superintendent shall arrange with the independent auditor for an audit examination ("audit") of all. Minimally, the audit will include the district's General, Special Revenue, Debt Service and Capital Projects funds; fiduciary funds; proprietary funds; and component units, unless a component unit issues its own audited financial statements. All financial, transportation, food service and attendance records of the district; will be audited in accordance with state law.

~~The audit shall be made in accordance with generally accepted auditing standards, to include such reviews and tests of the accounting system, books and records, and other underlying data as are necessary to come to an informed opinion as to the financial affairs of the Webster Groves School~~

FILE: DIE
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REFERENCE COPY

~~District.~~ The audit will include reviews and tests of the accounting system, books and records, and other underlying data as necessary to reach an informed opinion on the financial affairs of the district.

The auditor will give an opinion on the fairness of presentation of the district's financial statements and will review the financial operations systems of internal control and compliance with law. The Board may expand the scope of the audit to include an examination of a specific district program, fund or process or to require a more comprehensive audit than is required by law.

Audit of Federal Funds

The district will conduct audits of federal awards and federal funds as directed by the Board and in accordance with law and the requirements of the agency awarding the funding.

Audit Report

The audit report shall meet the requirements of state and federal law. The independent auditor shall provide a copy of the audit report to each member of the Board and the superintendent. The superintendent is responsible for furnishing a copy to DESE no later than December 31 and for filing copies of the audit with other authorities as required. Once the audit report is final, the Board will vote by motion or resolution to approve the audit report, and the Board secretary will sign a copy of the final approved motion or resolution verifying that the final report has been approved. The Board delegates to the superintendent or designee the responsibility for transmitting to DESE on behalf of the Board a copy of the final audit report, the related management letter if prepared by the auditor, and a copy of the final, approved and signed Board minutes or Board resolution approving the audit report. These materials must be submitted electronically in the manner directed by DESE no later than December 31 each year.

Within 30 days of receipt of the audit report, the Board of Education shall prepare a summary of the report and publish it in accordance with state law.

Audit of Federal Funds

If the district expends a total amount of federal awards equal to or in excess of the amount specified by the Office of Management and Budget in any fiscal year, the district shall conduct a single audit or a program-specific audit for that fiscal year in accordance with federal law. If the district is not required to perform a single or program-specific audit, the programs will be included in the district's general audit.

REFERENCE COPY

FILE: DIE
Critical

Public Access and Publication

The final audit report is an open record, and any member of the public may request to inspect or copy the report. Confidential and privileged communications between the district and its auditor, including all auditor work product, are closed to the extent permitted by law.

Within 30 days of receipt of the final audit report, the superintendent or designee, on behalf of the Board, shall prepare a summary of the report and publish it in a qualifying newspaper or by other means allowed by law. The publication shall state that the audit report is available ~~in the superintendent's office for inspection.~~

Response to Audit

All recommendations of the auditor will be taken seriously and will be implemented as appropriate. The superintendent or designee is directed to resolve any questions or discrepancies disclosed by the audit and must provide a full report of the resolution to the Board.

If the district receives an audit with a disclaimer of opinion, the district shall institute corrective measures immediately to ensure that subsequent audits do not contain a disclaimer. If fraud or embezzlement is discovered during the course of an audit, the superintendent or designee will notify DESE. If the superintendent or designee is implicated in the suspected fraud or embezzlement, the Board president will notify DESE.

the board
president and

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Note: The reader is encouraged to check the index located at the beginning of this section for other pertinent policies and to review administrative procedures and/or forms for related information.

Adopted: 09/13/1993

Revised: 12/11/2000; 06/08/2013;

Cross Refs: BDC, Closed Meetings, Records and Votes
KB, Public Information Program

Legal Refs: §§ 163.021, .081, 165.111, .121, 610.021(17), RSMo.
5 C.S.R. 30-4.030

FILE: DIE
Critical

REFERENCE COPY

Single Audit Act, 31 U.S.C. §§ 7501 - 7507
2 C.F.R. Part 200

Webster Groves School District, St. Louis, Missouri

REFERENCE COPY

FILE: DIE-AP1
Critical

EXPLANATION: AUDITS (Audit Process)

This is a NEW procedure, written to conform with the revisions to 5 C.S.R. 30-4.030, titled "Audit Policy and Requirements." The regulation can be found at:

<http://s1.sos.mo.gov/cmsimages/adrules/csr/current/5csr/5c30-4.pdf>.

MSBA recommends that copies of this document be routed to the following areas because the content is of particular importance to them. The titles on this list may not match those used by the district. Please forward copies to the district equivalent of the title indicated.

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	Transportation		Public Info/Communications		Technology

FILE: DIE-AP1
Critical

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AUDITS (*Audit Process*)

1. The district shall cause an audit examination ("audit") to be conducted annually as directed in Board policy. The audit must include the district's:
 - ▶ General, Special Revenue, Debt Service and Capital Projects funds.
 - ▶ Fiduciary funds.
 - ▶ Proprietary funds.
 - ▶ Component units that do not issue their own financial statements.
 - ▶ Transportation records.
 - ▶ Attendance records.
 - ▶ Food service records.
 - ▶ Other programs, funds or processes as specified by the Board or required by law.

Component units are organizations that warrant inclusion as part of the school district's audit because of the nature and significance of their relationship with the district, including ongoing financial support. Whether an entity is a component unit of the school district is determined by the auditor based on input from the district.

2. The audit report shall contain:
 - ▶ A statement of the scope of the audit.
 - ▶ A statement as to whether the audit was conducted in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
 - ▶ The independent auditor's opinion as to whether the financial statements included in the audit report present fairly the results of the operations during the period audited.
 - ▶ A statement as to whether the financial statements accompanying the audit report were prepared in accordance with generally accepted accounting principles or another comprehensive basis for accounting.
 - ▶ The reason or reasons an opinion is not rendered in the event the independent auditor is unable to express an opinion with respect thereto.
 - ▶ The independent auditor's opinion as to whether the district's budgetary and disbursement procedures conform to the requirements of Chapter 67, RSMo.

- ▶ The independent auditor's opinion as to whether attendance and transportation records are so maintained by the district as to disclose accurately average daily attendance and average daily transportation of students during the period of the audit.
 - ▶ The schedule of selected statistics, as specified annually by the Department of Elementary and Secondary Education (DESE).
 - ▶ Financial statements presented in such form as to disclose the operations of each fund of the district and a statement of the operations of all funds.
3. The independent auditor shall provide a copy of the audit report to each member of the Board and the superintendent.
4. As directed by Board policy, the superintendent will transmit to DESE a copy of the final audit report, the related management letter if prepared by the auditor, and a copy of the final, approved and signed Board minutes or Board resolution approving the audit report no later than December 31.

When a district has a single audit performed on federal funds and has federal findings or questioned costs, the district must submit the district's corrective action plan with the audit report and management letter. The corrective action plan must be in a separate document from the audit report.

5. As directed in Board policy, the superintendent shall prepare a summary of the audit report within 30 days of receiving the report. The summary shall include:
- ▶ A summary statement of fund balances and receipts and disbursements by major classifications of each fund and all funds.
 - ▶ A summary statement of the scope of the audit.
 - ▶ The auditor's opinion on the financial statements included in the audit report.
 - ▶ Any other matter the Board deems appropriate.
6. Immediately upon the completion of the summary, the superintendent shall publish it once in a newspaper within the county in which all or a part of the district is located that has general circulation within the district. If no such newspaper exists, the Board shall post the summary in at least five public places within the district. The publication shall state where

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Critical

the audit report is available for inspection and examination. The report shall be kept available in the superintendent's office for inspection.

Federal Funds Audits

Federal Awards – Federal financial assistance and federal cost-reimbursement contracts the district receives directly from federal awarding agencies or indirectly from pass-through entities.

Federal Program – All federal awards assigned a single number in the Catalog of Federal Domestic Assistance or federal awards from the same agency for the same purpose.

Program-Specific Audit – An audit of one federal program.

Single Audit – An audit that includes the district's financial statements and the federal awards.

If the district spends a total amount of federal awards equal to or in excess of the amount specified by the Office of Management and Budget (OMB) as the single audit threshold, the district shall either have a single audit or a program-specific audit made for such fiscal year in accordance with the Single Audit Act, *Government Auditing Standards* and the requirements of federal law.

If the district spends a total amount of federal awards that is less than the amount specified by the OMB, the district will be exempt from a single audit or program-specific audit under federal law, but the district will still have a general audit of district funds conducted, which may include an audit of federal funds.

Upon request, the district will make records available for review or audit by appropriate federal officials.

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Note: The reader is encouraged to review policies and/or forms for related information in this administrative area.

Implemented:

Webster Groves School District, St. Louis, Missouri