



**Monday, July 26, 2021
Board of Education Work Session**

**APPLETON AREA SCHOOL DISTRICT
BOARD OF EDUCATION WORK SESSION**

Time: 4:00 PM

The Board of Education will be meeting in the Scullen Leadership Center, 131 E. Washington Street, Suite 1A. Some individuals will be joining via zoom and the meeting will be livestreamed on YouTube.

In-person public appearances are suspended until further notice. Members of the media or general public may access the meeting via the live stream broadcast on the Appleton Area School District YouTube Channel: <https://www.youtube.com/channel/UChO-l09YGgt4uKnCWYvt8Pw>.

For remote attendance via telephone, please dial: 1-312-626-6799 Meeting ID: 963 9751 3813
Any special needs or any requests for accommodations related to accessing the meeting should be sent to Clara Kopplinger, at kopplingerclar@asd.k12.wi.us or (920) 832-6126, at least 24-hours in advance of the meeting. This would include any person for whom it would be burdensome or infeasible to use the primary method(s) of remote access established by the District.

1. Meeting Opening

Subject	A. Roll Call
Meeting	Jul 26, 2021 - Board of Education Work Session
Category	1. Meeting Opening
Type	Procedural

2. Proposed Board Policy Updates

Subject	A. Proposed Policy Update: OE-5 Financial Planning
Meeting	Jul 26, 2021 - Board of Education Work Session
Category	2. Proposed Board Policy Updates
Type	Discussion

File Attachments
[OE-5 Financial Planning .pdf \(226 KB\)](#)

Subject	B. Proposed Policy Update: OE-6 Financial Administration
Meeting	Jul 26, 2021 - Board of Education Work Session
Category	2. Proposed Board Policy Updates
Type	Discussion

File Attachments
[OE-6 Financial Administration.pdf \(230 KB\)](#)

Subject **C. Proposed Policy Update: OE-7 Asset Protection**

Meeting Jul 26, 2021 - Board of Education Work Session

Category 2. Proposed Board Policy Updates

Type Discussion

File Attachments
[OE-7 Asset Protection.pdf \(221 KB\)](#)

3. Proposed Interpretations and Indicators

Subject **A. OE 1 Global Operational Expectation - Interpretation and Indicators**

Meeting Jul 26, 2021 - Board of Education Work Session

Category 3. Proposed Interpretations and Indicators

Type Discussion, Information, Report

File Attachments
[Final DRAFT \(I\) OE-1 Global Operational Expectation.pdf \(56 KB\)](#)

Subject **B. OE 5 Financial Planning - Interpretations and Indicators**

Meeting Jul 26, 2021 - Board of Education Work Session

Category 3. Proposed Interpretations and Indicators

Type Discussion, Information, Report

File Attachments
[Final DRAFT \(I\) OE-5 Financial Planning.pdf \(88 KB\)](#)

Subject **C. OE 6 Financial Administration - Interpretations and Indicators**

Meeting Jul 26, 2021 - Board of Education Work Session

Category 3. Proposed Interpretations and Indicators

Type Discussion, Information, Report

File Attachments
[Final DRAFT \(I\) OE-6 Financial Administration.pdf \(116 KB\)](#)

Subject **D. OE 7 Asset Protection - Interpretations and Indicators**

Meeting Jul 26, 2021 - Board of Education Work Session

Category 3. Proposed Interpretations and Indicators

Type Discussion, Information, Report

File Attachments

Final DRAFT (I) OE-7 Asset Protection.pdf (118 KB)

4. Adjourn

Subject **A. Adjournment of Meeting - Please note: Upon the adjournment of the work session, there will be a brief recess prior to the start of the Board of Education meeting. The Regular Meeting of the Board will begin at 6:00 PM on a separate meeting ID (919 0559 9126) and live stream.**

Meeting Jul 26, 2021 - Board of Education Work Session

Category 4. Adjourn

Type Information, Procedural

Policy Type: Operational Expectations

Financial Planning

The Superintendent shall develop and present to the Board a multi-year financial plan that is related directly to the Board's Results priorities and Operational Expectations goals, and that avoids long-term fiscal jeopardy to the district.

The Superintendent will develop a budget that:

1. Is in a summary format understandable to the Board and presented in a manner that allows the Board to understand the relationship between the budget and the **Results** priorities and any **Operational Expectations** goals.
2. Credibly describes revenues and expenditures.
3. Shows the amount spent in each budget category for the most recently completed fiscal year, the amount budgeted for the current fiscal year, and the amount budgeted for the next fiscal year.
4. Discloses budget-planning assumptions.
5. Reflects anticipated changes in employee compensation, including inflationary adjustments, step increases, **performance framework** increases and benefits.
6. Includes such amounts as the Board determines to be necessary for its own governing function, including board member training, consultation, attendance at professional conferences and events, and other matters identified by the Board.
7. Provides for an anticipated year-end fund balance sufficient to minimize the need for short-term borrowing and protects the District's bond rating.

The Superintendent may not develop a budget that:

8. Plans for the expenditure in any fiscal year of more funds than are conservatively projected to be available during the year.

Adopted: June 14, 2021

Monitoring Method: Internal report

Monitoring Frequency: Annually

Policy Type: Operational Expectations

Financial Administration

The Superintendent shall not cause or allow any financial activity or condition that materially deviates from the budget adopted by the Board, that cause or allow any fiscal condition that is inconsistent with achieving the Board's **Results** priorities or meeting any **Operational Expectations** goals; or that jeopardizes the financial health of the district.

The Superintendent will:

1. Assure that payroll and legitimate debts of the district are promptly paid when due.
2. Assure that all non-bid purchases are based upon comparative prices of items of similar value, including consideration of both cost and long-term quality.
3. Assure that all transactions in excess of \$100,000, including the purchase of supplies, materials and equipment, and any contracted services except professional services, are based on a competitive bid process.
4. Coordinate and cooperate with the Board's appointed financial auditor for an annual audit of all district funds and accounts.
5. Make all reasonable efforts to collect any funds due the district from any source.
6. Keep complete and accurate financial records by funds and accounts in accordance with Generally Accepted Accounting Principles.
7. Publish a financial condition statement annually.

The Superintendent may not:

8. Expend more funds than have been received in the fiscal year unless revenues are made available through other legal means, including the use of fund balances, the authorized transfer of funds from reserve funds or from tax anticipation notes.
9. Indebt the ~~organization~~ District.
10. Permanently transfer money from one dedicated fund to another.
11. Allow any required reports to be overdue or inaccurately filed.
12. Receive, process or disburse funds under controls that are insufficient under Generally Accepted Accounting Procedures.

Adopted: June 14, 2021

***Monitoring Method: External Report
Internal Report***

Monitoring Frequency: Annually

Appleton Area School District Board of Education

AGI Aspen Group International LLC©

Policy Type: Operational Expectations

Asset Protection

The Superintendent will assure that all district assets are adequately protected, properly maintained, appropriately used and not placed at undue risk.

The Superintendent will:

1. Maintain property and casualty insurance coverage on district property with limits equal to 100 percent of replacement value.
2. Maintain both Errors and Omissions and Comprehensive General Liability insurance coverage protecting board members, staff and the district itself in an amount that is reasonable for school districts of comparable size and character.
3. Adequately protect the district against theft or misappropriation of funds by any personnel who have access to material amounts of district or school funds.
4. Protect intellectual property, information, files, records and fixed assets from loss or significant damage.

The Superintendent may not:

5. Permit facilities and equipment to be subject to improper use or insufficient maintenance.
6. Recklessly expose the district, the Board or staff to legal liability
7. Invest funds in investments that are not secured or that are not authorized by law.
8. Purchase or sell real estate, including land and buildings, **or enter into a property lease without Board approval.**
9. Act or fail to act in any manner that damages the district's public image or credibility.

Adopted: June 14, 2021

Monitoring Method: Internal report

Monitoring Frequency: Annually

Appleton Area School District Board of Education

AGI Aspen Group International LLC©

**Appleton Area School District
Operational Expectations Interpretation & Indicators Document
OE-1 Global Operational Expectation**

SUPERINTENDENT CERTIFICATION:

With respect to Operational Expectations Policy 1, Global Operational Expectation, I certify the proceeding interpretations and indicators to be accurate and complete and reasonable.

Executive Summary/Analysis:

Signed: _____ Date: _____
Superintendent

BOARD ACTION:

With respect to Operational Expectations Policy 1, Global Operational Expectation, the Board:

- ___ **Accepts the Superintendent's interpretation and indicators as reasonable**
- ___ **Accepts the Superintendent's interpretation and indicators as reasonable, with noted exceptions**
- ___ **Finds the Superintendent's interpretation and indicators to be not reasonable**

Commendations and/or Recommendations, if any:

Signed: _____ Date: _____
Board President

Document submitted: _____

Re-submitted: _____

OE – 1 Global Operational Expectation	Superintendent	
<p>The Superintendent shall not cause, allow, or fail to take reasonable measures to prevent any practice, activity, decision or organizational condition that is unlawful, unethical, unsafe, disrespectful, imprudent, inequitable, is in violation of Board policy or endangers the district’s public image or credibility.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation: The board values an organization that is well managed so that it generates goodwill, avoids any significant negative consequences, and continues operating to meet the needs of the students it serves. This expectation is broad in scope and holds the Superintendent accountable for following Board policy and State and Federal law, and for ensuring that the District operates in a legal, safe, and ethical manner.</p> <ul style="list-style-type: none"> ● Shall not cause shall mean the Superintendent will not take an action that could reasonably be foreseen to have a material negative consequence for the organization. ● Allow shall mean the Superintendent will not knowingly approve and will administer appropriate corrective action for any staff activity deemed to be in conflict with the Board’s policy values. ● Fail to take reasonable measures to prevent shall mean that the Superintendent will take preventative action to protect the District from any material negative consequence that can reasonably be foreseen. ● Practice shall mean actions that are a regularly occurring activity of district staff. ● Activity shall mean any action taken by staff, whether one time or many. ● Decision shall mean directives issued by the Superintendent or actions taken by staff. ● Organizational condition shall mean the legal standing of the District and the perception that stakeholders have of the District with regard to trustworthiness, including situations created by the actions or decisions of the Superintendent or staff, whether they are actively or passively being created. ● Unlawful shall mean in violation of federal, state, and local laws, and violation of the rules outlined in Wisconsin State Statutes. ● Unethical shall mean behavior that is improper or does not conform to accepted professional standards of conduct. ● Unsafe shall mean any condition that puts anyone involved with our District in danger (physical, emotional, financial, positional) that could be reasonably foreseen. ● Disrespectful shall mean responses or actions taken by staff that do not treat staff, parents, students, or community members as if they and their opinions are of value. ● Imprudent shall mean behaviors that are professionally reckless or irresponsible. 		

- **Inequitable** shall mean not treating people in a just and balanced manner.
- **In violation of board policy** shall mean to fail to adhere to policies or published guidelines that exist to establish expectations and parameters for staff.
- **Endangers the district's public image or credibility** shall mean placing at risk a respected and positive image of the District in the mind of the average citizen in the Appleton Area School District.

<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The District submits 100% of the monitoring data per the Board's annual work plan for all OE Policies and Results and the Board finds 100% of them to be reasonably in compliance. ● The District is not found to be in violation of any law when any legal action is taken against the District. 		
<p>Board Comments:</p>		

**Appleton Area School District
Operational Expectations Interpretation & Indicators Document
OE-5 Financial Planning**

SUPERINTENDENT CERTIFICATION:

With respect to Operational Expectations Policy 5, Financial Planning, I certify the proceeding interpretations and indicators to be accurate and complete and reasonable.

Executive Summary/Analysis:

The interpretations and indicators, as submitted below, will provide evidence to the Board that the District's assets are maintained and protected. Indicators reflect legal and state department requirements, when appropriate. In other instances, indicators are informed by best practice. While monitoring will largely be accomplished through internal reporting, it will also incorporate external audits and board inspection.

Signed: _____ Date: _____
Superintendent

BOARD ACTION:

With respect to Operational Expectations Policy 5, Financial Planning, the Board:

- ____ **Accepts the Superintendent's interpretation and indicators as reasonable**
- ____ **Accepts the Superintendent's interpretation and indicators as reasonable, with noted exceptions**
- ____ **Finds the Superintendent's interpretation and indicators to be not reasonable**

Commendations and/or Recommendations, if any:

Signed: _____ Date: _____
Board President

Document submitted: _____

Re-submitted: _____

OE – 5 Financial Planning	Superintendent	
<p>The Superintendent shall develop and maintain a multi-year financial plan that is related directly to the Board’s Results priorities and Operational Expectations (OE) and that avoids long-term fiscal risk to the district.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation: The board values budgets that ensure reasonable progress in its Results Policies and compliance with its Operational Expectations Policies while maintaining a solid financial standing.</p> <ul style="list-style-type: none"> ● Multi-year financial plan shall mean a budget that balances revenues and expenditures over two years consisting of the current and subsequent year and maintains adequate fund balance. ● Related directly shall mean that the financial plan shall reflect the priorities and goals outlined in the Board’s Results and OE policies. ● Long-term shall mean a period of two years consisting of the current and subsequent year. ● Avoid fiscal risk means to mitigate potential situations that may result in the inability to meet financial obligations. 		
<p>OE – 5.1 The Superintendent will develop a budget that is in a summary format understandable to the Board and presented in a manner that allows the Board to understand the relationship between the budget and the Results priorities and any Operational Expectations for the year.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Summary format understandable to the Board shall mean the budget will be presented to the Board prior to adoption in sections that are clear and laid out simply. The budget will include an executive summary that will outline the key aspects of the budget. It will also include a section that will outline the District goals and selected Operational Expectations and the expenditures related to each goal or Operational Expectation. This section will demonstrate how the budget is allocated to achieve the Board’s priorities for student achievement and how monies will address goals identified to be addressed in district operations. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p>		

<ul style="list-style-type: none"> • The budget contains an executive summary that outlines the key aspects of the budget, and it includes a section that outlines the District goals and selected Operational Expectations and the expenditures related to each Operational Expectation. • The budget developed contains the Board’s Results priorities. • The Board demonstrates its understanding of this part of the budget through a positive response on a budget survey. 		
<p>Board Comments:</p>		
<p>OE – 5.2 The Superintendent will develop a budget that credibly describes revenues and expenditures.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Credibly describes revenue and expenditures shall mean in a manner that is accurate, verifiable, realistic and reliably accounts for all monies received and spent by the District. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • We have a Board adopted budget that is in compliance with Statute 65.90 (general state statute on budget requirements). • Revenue Limits have been verified by the Wisconsin Department of Public Instruction. • Budgeted expenditures include Board of Education approved salary and benefit adjustments, and include expected expenditures of departments and schools aligned with result priorities and operational expectations. 		
<p>Board Comments:</p>		

<p>OE – 5.3 The Superintendent will develop a budget that shows the amount spent in each budget category for the most recently completed fiscal year, the amount budgeted for the current fiscal year, and the amount budgeted for the next fiscal year.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Budget shall mean planned revenues and expenditures over a two-year period of time and actual revenues over the most recently completed fiscal year. ● Category shall mean by fund, program and object as described by the Wisconsin Uniform Financial Accounting Requirements. ● Most recently completed fiscal year shall mean the period of time from 1 July to 30 June of the prior year. ● Current fiscal year shall mean the period of time from 1 July to 30 June of the current year. ● Next fiscal year shall mean the period of time from 1 July to 30 June of the following fiscal year. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● A preliminary budget is presented that includes the amount expended for the most recently completed fiscal year (audited), the amount budgeted for the current fiscal year, and the amount estimated to be expended for the current fiscal year and the amount budgeted for the next fiscal year. ● The budget is presented in a format that itemizes expenditures of the district by fund, location, and object. 		
<p>Board Comments:</p>		
<p>OE – 5.4 The Superintendent will develop a budget that discloses budget planning assumptions.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p>		

<ul style="list-style-type: none"> ● Budget planning assumptions shall mean factors considered and assumed in order to compile the budget. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The budget includes a presentation on budget assumptions and significant budget variances from prior year. These assumptions will include the official estimate of CPI, enrollment trends, staffing needs, and legislative actions that may impact the budget. 		
<p>Board Comments:</p>		
<p>OE – 5.5 The Superintendent will develop a budget that reflects anticipated changes in employee compensation, including inflationary adjustments, step increases, framework increases and benefits.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Reflects anticipated changes shall consider fixed factors and variances concerning employee compensation and related benefits. ● Framework increases shall mean additional compensation as determined by the District’s Teacher Compensation Framework. For other staff, it shall mean additional compensation as determined by the District salary schedules. ● Benefits shall mean non-wage compensation provided to employees in addition to a salary, with the most significant benefit being health insurance. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The budget reflects anticipated employee compensation inclusive of all adjustments including benefits approved by the Board of Education. 		
<p>Board Comments:</p>		

<p>OE – 5.6 The Superintendent will develop a budget that includes such amounts as the Board determines to be necessary for its own governing function, including board member training, consultation, attendance at professional conferences and events, and other matters identified by the Board.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Own governing function shall mean the projected amount of money needed to carry out the Boards function. ● Board member training shall mean the projected amount of money needed for development of Board members. ● Consultation shall mean the projected amount of money needed to hire professional services as needed by the Board. ● Professional conferences and events shall mean the projected amount of money needed to attend conferences and events related to Board development and district related topics. ● Other matters identified by the Board shall mean the projected amount of money needed for needs not identified above that become a priority of the Board. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The Board president provides the Superintendent with estimated amounts to meet the needs of the Boards governing function. The Superintendent then submits to the Chief Financial Officer the requested amounts to be included in the budget. <p>SUPERINTENDENT Evidence of Compliance:</p>		
<p>Board Comments:</p>		
<p>OE – 5.7 The Superintendent will develop a budget that provides for an anticipated year-end fund balance sufficient to minimize the need for short-term borrowing and protects the District’s bond rating.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p>		

<ul style="list-style-type: none"> ● Year-end fund balance means the net financial resources available to finance expenditures of future periods. ● Short-term borrowing means borrowing that is repaid during an annual operating cycle. ● Protects the District's bond rating means Moody's Investors Service will continue to rate the District at the Aa1 level. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The annual audit shows a year-end unassigned general fund balance with sufficient working capital and a margin of safety to address local and regional emergencies. A fund balance would be considered "safe" when available cash would be between 20 – 25% of the District's General Fund operating expenditures. ● The District does not borrow funds to meet operational cash-flow needs. ● The District's annual rating provided by Moody's Investor Services is Aa1. 		
<p>Board Comments:</p>		
<p>OE – 5.8 The Superintendent may not recommend a budget that plans for the expenditure in any fiscal year of more funds than are conservatively projected to be available during the year.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● More funds than are conservatively projected to be available shall mean current year revenues and fund balance. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The Superintendent submits a budget with estimated expenditures that does not exceed current year revenues and fund balance. ● The Superintendent submits a budget with estimated expenditures totaling between 99% and 100% of revenues. 		

Board Comments:		
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Appleton Area School District
Operational Expectations Interpretation & Indicators Document
OE-6 Financial Administration

SUPERINTENDENT CERTIFICATION:

With respect to Operational Expectations Policy 6, Financial Administration, I certify the proceeding interpretations and indicators to be accurate and complete and reasonable.

Executive Summary/Analysis:

The interpretations and indicators, as submitted below, will provide evidence to the Board that the District's assets are maintained and protected. Indicators reflect legal and state department requirements, when appropriate. In other instances, indicators are informed by best practice. While monitoring will largely be accomplished through internal reporting, it will also incorporate external audits and board inspection.

Signed: _____ Date: _____
Superintendent

BOARD ACTION:

With respect to Operational Expectations Policy 6, Financial Administration, the Board:

- _____ **Accepts the Superintendent's interpretation and indicators as reasonable**
- _____ **Accepts the Superintendent's interpretation and indicators as reasonable, with noted exceptions**
- _____ **Finds the Superintendent's interpretation and indicators to be not reasonable**

Commendations and/or Recommendations, if any:

Signed: _____ Date: _____
Board President

Document submitted: _____

Re-submitted: _____

OE - 6: Financial Administration	Superintendent	
<p>The Superintendent shall not cause or allow any financial activity or condition that materially deviates from the budget adopted by the Board; cause or allow any fiscal condition that is inconsistent with achieving the Board’s results or meeting any operational expectations goals; or places the long-term financial health of the district in jeopardy.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation: The Board values a well-managed, balanced budget with expenditures that are consistent with District priorities and support the achievement of the Board’s Results policies and Operational Expectations policies.</p> <ul style="list-style-type: none"> ● Financial activity shall mean any action conducted by District employees that is conducted on behalf of the District and incurs a monetary cost. ● Materially deviates (greater than 5%) shall mean causing the District to expend more in a budget category than the annual appropriation resolution adopted by the Board of Education or as amended by the Board of Education through supplemental appropriations. ● Fiscal condition shall mean the cash flow position needed to meet financial obligations. ● Long-term financial health shall mean the ability of the District to meet its monetary obligations for the current fiscal year and preserving a fund balance that provides for monetary requirements for the ensuing fiscal year. 		
<p>OE – 6.1 The Superintendent will assure that payroll and legitimate debts of the district are promptly paid when due.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Payroll shall mean monies owed to employees as a result of contracts with the District or services rendered. ● Legitimate debts shall mean legal obligations due for goods or services performed in compliance with terms and conditions outlined in district policy, contracts or agreements. ● Promptly paid shall mean covering District financial obligations within the time period noted in contracts, district policy and financing arrangements, and within a time period that maintains or improves the District’s credit rating. 		

<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • 100 % of employees are accurately and timely paid. • 100% of payroll related liabilities are accurately and timely paid in accordance with timeframes established by the IRS, WRS and Wisconsin Department of Revenue. • 100% of invoices have been reviewed for completeness and appropriateness and judged to be accurate before a vendor is paid. Proof of receipt of materials or services is evident on the invoice. • 100% or the District long-term debt General Obligation bonds are paid in accordance with the bond debt service schedules. 		
<p>Board Comments:</p>		
<p>OE – 6.2 The Superintendent will assure that all non-bid purchases are based upon comparative prices of items of similar value, including consideration of both cost and long-term quality.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Non-bid purchases shall mean purchases costing less than \$100,000, but more than \$5,000. • Comparative prices shall mean three or more quotes are obtained. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • All purchases costing more than \$5,000, but less than \$100,000, will be comparatively priced with three or more quotes. Individual departments will track costing on a spreadsheet that will be submitted to the Chief Financial Officer for approval. 		
<p>Board Comments:</p>		

<p>OE – 6.3 The Superintendent will assure that all transactions in excess of \$100,000, including the purchase of supplies, materials and equipment, and any contracted services except professional services, are based on a competitive bid process.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Contracted services shall mean work that is completed by non-AASD vendors. ● Professional services shall mean architects, accountants, engineers, lawyers, and teachers, etc. ● Competitive bid process shall mean three or more bids were obtained. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● 95% of competitively bid purchases of supplies, materials, or equipment in the amount of \$100,000 or more are awarded to the most reasonable and responsible bid submitted by a qualified supplier, taking into consideration the needs of the District, the quality of materials (services) desired, and their contribution to the District program/school as documented by the Business Services Department. 		
<p>Board Comments:</p>		
<p>OE – 6.4 The Superintendent will coordinate and cooperate with the Board’s appointed financial auditor for an annual audit of all district funds and accounts.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Coordinate and cooperate with shall mean to provide all information to the auditors as requested to enable the auditors complete an annual Comprehensive Annual Financial Report following the end of each fiscal year. ● All district funds and accounts shall mean all financial information and records contained in the accounting financial software. 		

<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> The Board appointed financial auditing firm completes the annual independent audit and presents an “Unqualified Opinion” report to the Board of Education prior to December 31st following the fiscal year end. 		
<p>Board Comments:</p>		
<p>OE – 6.5 The Superintendent will make all reasonable efforts to collect any funds due the district from any source.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Reasonable efforts shall mean internal procedures and contracted external efforts to include a variety of methods depending on amounts of uncollected funds. Source shall mean funding mechanisms of state and federal government, students, employees, vendors and any other financially related party. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> Uncollected funds have been processed through collection efforts including reminder letters, phone calls, penalties for late payments, collection agencies, liens and attorney involvement. The cost (either monetarily and/or time resources) of collection efforts has been weighed against the amount to be collected and a purposeful decision has been made about whether or not to write off a receivable. The District’s Director of Auxiliary Services generates a report of outstanding balances for review by the Director of Business Services. 		
<p>Board Comments:</p>		

<p>OE – 6.6 The Superintendent will keep complete and accurate financial records by funds and accounts in accordance with Generally Accepted Accounting Principles.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Keep complete and accurate financial records shall mean the District will account for all financial resources and expenditures per the Financial Policies and Procedures account structure and report to the public using Generally Accepted Accounting Principles. ● Generally Accepted Accounting Principles shall mean guidelines and standards for financial reporting promulgated by the Federal Accounting Standards Board. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The independent financial auditors express an <i>“unqualified opinion”</i> on the basic financial statements and conformity with accounting principles generally accepted in the United States of America. ● The audit report contains a fiscal year report of receipts and expenditures of each fund with designated program reports in accordance with the Financial Policies and Wisconsin Uniform Financial Accounting Requirements. The supplemental Schedules for each fund will be in the format prescribed by the Wisconsin Department of Public Instruction and shall be in agreement with the audited financial statements of the school district. ● The independent financial auditors confirm in the audit report that the District is in conformity with the Financial Accreditation audit process required by the Department of Education to ensure compliance with budgetary, accounting and reporting requirements. 		
<p>Board Comments:</p>		
<p>OE – 6.7 The Superintendent will publish a financial condition statement annually.</p>	In Compliance	Not In Compliance

<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Publish a financial condition statement annually shall mean publishing an easily read complete audit report statement of net assets, statement of activities, balance sheet and reconciliation of the governmental funds consistent with generally accepted accounting principles and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. ● Publishing shall mean producing hard copy print for the Board of Education and for review by the public, and available on the District website. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The District publishes within six months of the close of each fiscal year a complete set of financial statements and a report consistent with generally accepted accounting principles and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. ● The statements and reports are published in print for the Board and copies made available to the public, and are posted for download on the District’s website. 		
<p>Board Comments:</p>		
<p>OE – 6.8 The Superintendent may not expend more funds than have been received in the fiscal year unless revenues are made available through other legal means, including the use of fund balances, the authorized transfer of funds from reserve funds or from tax anticipation notes.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Expend more funds than made available shall mean spend more money at the fund level than was budgeted and originally adopted by the Board or as amended by the Board of Education through supplemental appropriations. ● Legal means shall mean the use of appropriation resolution authorizing expenditures, use of fund balance, and transfers of interfund borrowing. 		

<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • As reported in the annual financial audit, expenditures at the fund level do not exceed appropriation amounts originally adopted, or as amended by the Board of Education through supplemental appropriations. • There is no violation of state law or notification of a violation in connection with expenditures exceeding appropriations as determined by external auditors. 		
<p>Board Comments:</p>		
<p>OE – 6.9 The Superintendent may not indebt the District.</p>	<p>In Compliance</p>	<p>Not In Compliance</p>
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Indebt the district shall mean incurring short (within the current fiscal year) or long term (beyond the current year) financial obligations that are not planned for and approved by the Board or, in the case of a bond election or mill levy override, by the community. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • As reported in the annual financial audit, there are no short or long term financial obligations or debts except those that have been approved by the Board. • The external auditors make no reference to unapproved material obligations remaining unpaid 60 days after the close of the fiscal year. • All payment registers are approved by the Board within 60 days of the close of a month. 		
<p>Board Comments:</p>		

<p>OE – 6.10 The Superintendent may not permanently transfer money from one dedicated fund to another.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Dedicated funds include the General fund, Grants fund, Trust/Special Revenue fund, Special Education fund, Non-Referendum Debt fund, Referendum Debt fund, Capital Projects fund, Food Service fund, and Community Service fund. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • As reported in the annual financial audit, no funds were permanently transferred from one dedicated fund to another without Board approval. 		
<p>Board Comments:</p>		
<p>OE – 6.11 The Superintendent may not allow any required reports to be overdue or inaccurately filed.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Overdue or inaccurately filed shall mean all deadlines will be met or an extension requested and reports will be filed as accurately as possible with the most current information and knowledge available. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • The external auditors find there to be no material internal control weaknesses inherent in the District's financial system. 		
<p>Board Comments:</p>		

**Appleton Area School District
Operational Expectations Interpretation & Indicators Document
OE-7 Asset Protection**

SUPERINTENDENT CERTIFICATION:

With respect to Operational Expectations Policy 7, Asset Protection, I certify the proceeding interpretations and indicators to be accurate and complete and reasonable.

Executive Summary/Analysis:

The interpretations and indicators, as submitted below, will provide evidence to the Board that the District's assets are maintained and protected. Indicators reflect legal and state department requirements, when appropriate. In other instances, indicators are informed by best practice. While monitoring will largely be accomplished through internal reporting, it will also incorporate external audits and board inspection.

Signed: _____ Date: _____
Superintendent

BOARD ACTION:

With respect to Operational Expectations Policy 7, Asset Protection, the Board:

- _____ **Accepts the Superintendent's interpretation and indicators as reasonable**
- _____ **Accepts the Superintendent's interpretation and indicators as reasonable, with noted exceptions**
- _____ **Finds the Superintendent's interpretation and indicators to be not reasonable**

Commendations and/or Recommendations, if any:

Signed: _____ Date: _____
Board President

Document submitted: _____

Re-submitted: _____

OE-7: Asset Protection	Superintendent	
<p>The Superintendent will assure that all district assets are adequately protected, properly maintained, appropriately used and not placed at undue risk.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation: The Board values good stewardship including the care for, use of, and protection of district property and therefore expects the superintendent to proactively ensure that this occurs.</p> <ul style="list-style-type: none"> ● District assets shall mean all tangible personal property and intellectual property (including information technology systems) having a useful life of more than one (1) year and a per-unit acquisition cost which equals or exceeds \$10,000 unless purchased with federal dollars, then the per-unit acquisition cost equals or exceeds \$5,000. ● Adequately protected shall mean insured for 100% replacement value. ● Properly maintained shall mean serviced and repaired on a regular basis to retain in good operating condition. ● Appropriately used shall mean in compliance with operating guidelines established by the manufacturer. ● Not placed at undue risk shall mean safe from actions that would cause District assets to be harmed or damaged or create an unsafe environment. 		
<p>OE – 7.1 The Superintendent will maintain property and casualty insurance coverage on district property with limits equal to 100% of replacement value.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Property shall mean facilities, vehicles, equipment, and materials with an insurable risk. ● Casualty insurance shall mean coverage to protect the District and its employees resulting from an accident, mishap, or disaster. ● 100% of replacement value shall mean the ability to replace and make whole property losses experienced by the District subject to any and all deductibles. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p>		

<ul style="list-style-type: none"> Copies of invoices and payments reflect that the District purchased and received the coverage declarations for property and casualty insurance equal to 100% of replacement value. 		
<p>Board Comments:</p>		
<p>OE - 7.2 The Superintendent will maintain both Errors and Omissions and Comprehensive General Liability insurance coverage protecting board members, staff and the district itself in an amount that is reasonable for school districts of comparable size and character.</p>	<p>In Compliance</p>	<p>Not In Compliance</p>
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> Errors and Omissions insurance shall mean protection for board members and staff who make a mistake in performing their duties in good faith and results in harm to the District. Comprehensive General Liability insurance shall mean protection for the district against claims by third parties. Amount that is reasonable shall mean in accordance with amounts recommended by insurance carrier and verified by a second carrier or consultant. Comparable size and character shall mean other school districts with a similar setting (urban/suburban), numbers of students, and demographics. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> Copies of invoices and payments reflect that the district has purchased and received the coverage declarations for Errors and Omissions and Comprehensive General Liability insurance coverage at the recommended levels. 		
<p>Board Comments:</p>		

<p>OE - 7.3 The Superintendent will adequately protect the District against theft or misappropriation of funds by any personnel who have access to material amounts of district or school funds.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Misappropriation of funds shall mean the unauthorized, improper, or unlawful use of funds or other property for purposes other than that for which intended. ● Any personnel shall mean any district employee or volunteer. ● Material amounts shall mean more than \$1,000, which is equivalent to the deductible. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● Copies of invoices and payments reflect that the District has purchased and receives the coverage declarations for crime coverage and the policy has been received. 		
<p>Board Comments:</p>		
<p>OE - 7.4 The Superintendent will protect intellectual property, information, files, records and fixed assets from loss or significant damage.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Intellectual property shall mean creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce. ● District intellectual property shall mean original curriculum, teaching materials, or other documents created by district employees as part of their job for use by the District or its employees. ● Information, files and records shall mean paper, and electronic data on district servers, deemed critical (Finance, Human Capital, Student Support and Data, Research & Accountability) to the operations of the District. 		

- **Fixed assets** shall mean property and equipment having a useful life of more than one (1) year and a per-unit acquisition cost which equals or exceeds \$10,000 unless purchased with federal dollars, then the per-unit acquisition cost equals or exceeds \$5,000.
- With regard to fixed assets, **significant damage** shall mean harm or destruction requiring more than \$5,000 or more of unplanned repair or maintenance including labor, material, and equipment rental costs.

<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● The District receives no legal complaints that any of its employees has violated intellectual property rights or that their intellectual property has been stolen. ● Information, files, and records are backed up each night by Tech Services and there was no loss of these files and records during this fiscal year. Records are backed up on a second server that functions independently to our main server. ● The District has no significant damage to fixed assets due to circumstances within its control during the school year. Damage to fixed assets is tracked and reported by the District's Director of Auxiliary Services. ● The District has offsite storage and a recovery plan for loss of information, files and records deemed to be critical to the operations of the District. A log of requests to retrieve information, files, or records is updated as needed by Tech Services staff. 		
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<p>Board Comments:</p>		
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<p>OE - 7.5 The Superintendent may not permit facilities and equipment to be subject to improper use or insufficient maintenance.</p>	<p>In Compliance</p>	<p>Not In Compliance</p>
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SUPERINTENDENT Interpretation:

<ul style="list-style-type: none"> ● Facilities and equipment shall mean assets having a useful life of more than one (1) year and a per-unit acquisition cost which equals or exceeds \$10,000 unless purchased with federal dollars, then the per-unit acquisition cost equals or exceeds \$5,000. ● Improper use shall mean inappropriate operation or treatment, or utilization in a manner or for a purpose contrary to what was intended. ● Insufficient maintenance shall mean inadequate repair, cleaning, inspection, or upkeep as recommended by manufacturer specifications. 				
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● No person is injured in a District facility, or when using District equipment, as a result of insufficient maintenance of the facility or equipment. The District’s Employee Benefits Coordinator documents and reports any occurrences to the Superintendent. ● Worker’s compensation claims filed as a result of the improper use of equipment did not exceed 5 claims in the school year. ● The District has an active safety program for investigating accidents to identify improper use or insufficient maintenance of facilities and equipment. The District’s Safety Coordinator documents and reports any occurrences to the Superintendent. ● The District maintains and adheres to a long-range capital preventative maintenance plan to help guide the prioritization of Capital Reserve Fund appropriations. The District’s AkitaBox system generated reports that were submitted to the Superintendent. 				
<p>Board Comments:</p>				
<p>OE - 7.6 The Superintendent may not recklessly expose the district, the Board or staff to legal liability.</p>			<p>In Compliance</p>	<p>Not In Compliance</p>
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Recklessly expose shall mean to commit an offence that is grossly negligent putting the District in a legally untenable position which cost the District more than \$10,000. 				

<ul style="list-style-type: none"> • Legal liability shall mean litigation with another party where attorney fees are incurred. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • The District incurs no legal costs or damage awards as a result of careless and reckless acts by the Superintendent. 		
<p>Board Comments:</p>		
<p>OE - 7.7 The Superintendent may not invest funds in investments that are not secured or that are not authorized by law.</p>	In Compliance	Not In Compliance
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> • Funds shall mean money or capital. • Investments shall mean the commitment of district money or capital to the purchase of financial instruments or other assets so as to gain profitable returns in the form of interest, income, dividend, or appreciation of the value of the instrument. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> • All investments are in compliance with Wisconsin State Statutes and the auditor's management letter makes no comment in regards to investments. • The District has only deposited funds with entities governed by Public Depository Protection Act and included in the annual Authorized Depository Resolution. 		
<p>Board Comments:</p>		

<p>OE - 7.8 The Superintendent may not purchase or sell real estate, including land and buildings, or enter into a property lease without Board approval.</p>	<p>In Compliance</p>	<p>Not In Compliance</p>
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Purchase shall mean to obtain ownership of an asset in exchange for money or value. ● Sell shall mean to surrender ownership of an asset in exchange for money or value. ● Property Lease shall mean a contract outlining the terms under which the District agrees to rent property owned by another party. 		
<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● All dispositions and acquisitions of land and buildings are approved by board resolution. ● There is no finding by the independent external auditors in reference to disposition and acquisition of land and buildings. ● All property leases are approved by the Board. 		
<p>Board Comments:</p>		
<p>OE - 7.9 The Superintendent may not take any reckless action that damages the district’s public image or credibility.</p>	<p>In Compliance</p>	<p>Not In Compliance</p>
<p>SUPERINTENDENT Interpretation:</p> <ul style="list-style-type: none"> ● Reckless action shall mean to commit an offence that is grossly negligent. ● Public image shall mean overall positive perception of the District in the mind of the average citizen in the Appleton Area School District. 		

<p>SUPERINTENDENT Indicators of Compliance:</p> <p>We will know we are compliant when:</p> <ul style="list-style-type: none"> ● When we have no litigation regarding careless and reckless acts by the Superintendent. ● No media coverage (print, radio, TV, etc.), no police record, and no public comments at Board meetings reflect a negative impact to the District image or credibility which resulted from reckless action by the Superintendent. 		
<p>Board Comments:</p>		