

Wa-Nee Community Schools  
Administrative Guidelines  
Series 6000  
Finances

**6000 - FINANCES**

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## 6145 - SHORT-TERM INDEBTEDNESS

The School Board has directed that the treasurer monitor the financial status of each fund established in the School Corporation. A monthly written financial report shall be given to the Board at an official meeting at which time the Board will be informed of any emergencies that may exist in any of the funds.

The Treasurer when directed by the Board, shall initiate procedures to alleviate the emergency by obtaining revenue from advance draws, emergency loans and/or tax anticipation warrants.

### **Advance Draws**

The Treasurer shall apply to the County Treasurer to obtain advances in revenue which may be available from the tax levied by the School Corporation and collected by the County Treasurer.

### **Emergency Loans**

An emergency loan may be made by the issuance of a note(s) by the School Corporation. To initiate the procedure the Treasurer shall prepare a resolution for consideration by the Board to establish that an unbudgeted emergency exists in a particular fund(s). The procedure for the issuance of a note(s) is the same as for issuance of bonds.

The Board shall include the repayment of the note(s) in the annual budget for the next year. Such repayment shall not require an excessive levy for the General Fund. Interest on the note(s) may be budgeted and paid with revenue from the Debt Service Fund.

### **Tax Anticipation Warrants**

When a Corporation determines that the current expenses within a fund(s) will exceed the available revenue in that fund, the Board may declare that an emergency exists and authorize the treasurer to borrow money in anticipation of the receipt of known tax revenue. The treasurer shall prepare a resolution declaring the emergency for consideration by the Board. The principal of the warrants shall not exceed eighty percent (80%) of the taxes to be collected and distributed to that fund(s) in June's or December's property tax settlement, whichever is appropriate. If the amount of the warrants exceeds \$20,000.00, the procedure for the sale of the warrants shall follow the required procedure for the selling of bonds, except that the notice of sale need not be published outside the county nor for more than ten (10) days before the date of the sale.

The payment of the principal of the warrants shall come from the tax settlement for the fund(s) for which the warrants were issued. The interest on the warrant(s) may be paid from the debt service fund.

Revised 1/05

## 6220 - BUDGET (APPROPRIATIONS) PREPARATION

The budget is formulated under the direction of the Superintendent using a cooperative budgeting system in which the principals and department supervisors develop throughout the year, a list of items for implementing the instructional program, and/or for day-to-day operations in their schools/departments that they wish to include in the next budget. Prior to the start of the budget preparation process, the Business Manager will prepare a Timetable for Budget Preparation by which the preparation, review, and approval will take place.

At the beginning of each budget year, the Superintendent and Business Manager will estimate the costs of Corporation-wide operations such as staff, building maintenance, transportation, capital improvements, etc., and determine the allocation for each school as well as the total allocation for each operating department.

The completed tentative budget shall contain:

- A. the amount budgeted for proposed expenditures by funds, functions, and object;
- B. the corresponding amounts budgeted by fund, function, and object that were actually expended during the last completed fiscal year and anticipated to be expended during the current fiscal year;
- C. all revenues anticipated for the ensuing fiscal year classified as to funds and sources of income, including only those revenues which can be reasonably anticipated and excluding contingency revenues.

The proposed expenditures and anticipated revenues in the budget shall be supported by explanatory schedules or statements of sufficient detail to judge the validity thereof, including a statement which shall summarize the aggregate of revenues, appropriations, assets, and liabilities of each fund, in balanced relations.

Revised 1/05

## 6320A - PURCHASING

### **Purchasing - General Provisions**

- A. All purchases shall be by purchase order processed through the administration office.
- B. The treasurer shall be the contracting agent for all financial obligations.
- C. The Accounts Payable Clerk shall be responsible for encumbering the funds as soon as the purchase order has been issued.
- D. A verbal financial commitment may be made only for emergencies or when it is impossible or impractical to precede the purchase with a purchase order. Before such a commitment is made, the Accounts Payable Clerk shall be contacted for prior approval and for a purchase order number. In all such cases, a purchase order shall be issued as soon as possible after the commitment is made.
- E. Employees are forbidden to use the name of the Corporation, any discounts provided the Corporation, or any other means for associating a personal purchase with the Corporation. They are to make clear to any Corporation supplier from whom they are purchasing an item that it is a personal purchase by the employee and is not associated with the Corporation. Failure to abide by this provision could lead to disciplinary action.
- F. Confirming purchase orders will be honored only in cases cited in the above paragraph.
- G. Ongoing commitments such as service contracts and leases should be renewed annually, in writing, at the renewal date.
- H. Blanket purchase orders for supplies or services are valid only for the time period and amount indicated on the purchase order. Extension of the commitment beyond that time and/or amount shall be

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confirmed by a new purchase order. Blanket purchase orders must be approved by the Treasurer before they are issued.

- I. Purchases of contracted services shall be negotiated either verbally, by a Request for Proposal provided in Board Policy [6320](#). See Board Policy [6320](#) to determine when prior approval of the Board for services is required.
  
- J. Supplies manufactured in the United States shall be specified and purchased unless the Treasurer determines that any of the following apply:
  - 1. The supplies are not manufactured in the United States in reasonably available quantities.
  
  - 2. The price of the supplies manufactured in the United States exceeds by an unreasonable amount the price of available and comparable supplies manufactured outside the United States.
  
  - 3. The quality of the supplies is substantially less than the quality of comparably priced available supplies manufactured outside the United States.
  
  - 4. The purchase of supplies manufactured in the United States is not in the public interest.

**Payment of Claims Procedure**

Detailed outline of the accounts payable process:

- A. Requisition completed by person ordering item.
  - 1. A requisition should be completed for all items purchased. This includes items that will be picked up and charged at a local merchant.

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2. Fill the requisition out as completely as possible, listing catalog numbers, prices, and vendor's complete name and address. If a fax number is known, include that.
3. Submit requisition to principal for approval.
4. If an individual is ordering on a corporation wide basis, copies of the requisition must be sent to the affected buildings.

B. Requisition approved by building principal or supervisor

1. All requisitions are to be signed by the building principal.
2. The principal is to assign the appropriate account number to be charged. If a requisition leaves the building without an account number it will be returned.
3. Forward all requisitions to the business manager.

C. Requisition approved by business manager or Superintendent.

The account number will be checked to make sure that there are sufficient funds to cover the order and that the appropriate account is being used for the purchase.

D. Purchase order generated and sent to vendor.

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1. A purchase order will be generated from all requisitions. This encumbers the money against the account.
2. If the order is needed immediately, the purchase order will, when possible, be faxed or electronically transmitted. Otherwise, all purchase orders will be mailed to the vendors.
3. The pink copy of the purchase order will be returned to the originator. This should be kept until the merchandise is received. It should then be signed and returned to the business manager.

E. Product received and payment authorized by building.

Invoice received by administration office.

1. When an invoice is received, it shall be matched to the pink copy of the purchase order authorizing payment.
2. **IF** an invoice is received without a purchase order having been issued, an ACCOUNTS PAYABLE VOUCHER SHALL BE ATTACHED TO IT AND SENT TO THE BUILDING. This Accounts Payable Voucher **must** be signed in lieu of the pink copy of the purchase order verifying receipt of the merchandise or services. (An example of this would be if a repair man is called for an office machine and no requisition is written.)
3. **NO** invoice shall be submitted to the school board for approval for payment without either a signed pink copy of the purchase order or a signed accounts payable voucher.

F. Docket Prepared for Board Meeting.

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1. The docket (or listing) of claims to be paid shall be completed by Friday morning prior to the next Monday's board meeting. All claims to be paid must be included on this docket.
2. To be included on the docket, the invoice and signed pink copy of PO or signed voucher, **MUST** be in the business office by the Monday the week before the board meeting. If that week is short due to a holiday, the due date will be backed up one day.
3. Claims not received by the due date will not be paid at the upcoming board meeting. Payment will wait until the following Board meeting.
4. The business manager shall review all claims for payment on Friday before the board meeting. Final approval before Board approval shall be determined at this time.

G. Board Approves Payments.

The Board of Trustees retains final approval of all claims paid. The Board retains the right to deny any claim for payment.

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Revised 1/25/16

## 6320C1 - BIDDING

The following procedures will be followed:

### A. **Preparation**

1. The Treasurer shall have the responsibility for preparing bid documents and advertising for solicitation of bids.
2. The technical specifications for the purchase of special equipment, materials and/or services shall be prepared by the person or department requesting the purchase and submitted to the Treasurer. Specifications must be complete and accurate to ensure that goods received conform to standards desired.
3. All bids of \$75,000.00 or more must be publicly advertised and shall carry the name and title of the secretary of the Board.
4. The advertisement for bids will generally be placed in local newspapers in accordance with statute. Advertisements for bids should also be placed in other appropriate publications when bidding construction projects and specialized equipment. For bonds or other borrowings, State laws relating to publication shall govern public advertisements.
5. Bid security is required for all bids \$75,000.00 or over.

### B. **Bid Opening**

1. All bids whether invitational or publicly advertised shall be opened publicly at a specified time and place.
2. Generally, bids shall be opened and read at a pre-determined, advertised site either by the Board or by a bid committee selected by the Board.

### C. **Bid Awards**

All bids shall be awarded by the Board.

### D. **Cooperative Bids**

Participation in cooperative purchasing/bidding arrangements with other schools and/or governmental units is permitted providing they satisfy the Corporation's bidding requirements.

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## 6320H - MILEAGE REIMBURSEMENT

Complete approved form as follows:

** Date	Type date of mileage requesting reimbursement took place.
** From/To	From what location to what destination.
** Mileage	Miles driven.
** Total Mileage	Total all miles driven.
** Total Mileage Reimbursement	Total miles x the Internal Revenue Services approved rate per mile.
** Employee Signature	Must have signature or will be returned.
** Principal/Supervisor Signature	Must have signature or will be returned.
** Account Number	Principal or supervisor will assign account number.

When completed, submit one (1) copy of the form to the Treasurer.

Revised 1/05

## 6423 - USE OF CREDIT CARDS

Please abide by the following guidelines when using a Corporation credit card.

- A. All credit cards issued to and in the name of the Wa-Nee School Corporation shall be held and supervised by the Treasurer.
- B. Employees requiring the use of school credit cards shall request (in writing) such cards from the Treasurer.
- C. Each request for use of a school credit card shall contain the following:
  - 1. date needed
  - 2. date to be returned
  - 3. purpose
  - 4. authorization
- D. After use, school credit cards are to be returned to the Treasurer along with appropriate receipt copies of all charges.

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## 6460 - DEALING WITH SALES AGENTS

All agents or solicitors must report to the principal's office upon entering the school. The teacher may not confer with agents or solicitors during regular school hours except on business that pertains directly to the school and then only with the knowledge and consent of the principal.

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**6510 - PAYROLL SCHEDULE**

Each teacher shall be compensated in twenty-six (26) equal pays.

## 6510A - TIME SHEETS

Time sheets for temporary, non-salaried personnel, or per diem substitutes, and overtime work by all non-management personnel, using the appropriate form, are to be completed and submitted by supervisors to the payroll clerk by no later than the Monday prior to payday.

### **General Instructions:**

- A. Place information requested in proper area.
- B. An individual time sheet is to be submitted for work done at each location.
- C. A separate time sheet is not to be submitted for each different job at the same location. Place all needed information on one (1) time sheet.
- D. Dates must be filled in for each day worked.
- E. Hourly employees must show the number of hours worked each day.

## 6550 - TRAVEL PAYMENT AND REIMBURSEMENT

Reimbursement for approved professional travel will be based on expenses incurred solely by the employee upon submission of a properly completed and approved professional travel reimbursement form.

The Superintendent approves all professional travel reimbursement forms.

The following are reimbursable upon submission of receipts and documentation:

- A. conference registration fees
- B. transportation - plane, train or automobile, including buses, and taxis
- C. mileage at the Board approved rate
- D. toll charges and parking
- E. lodging (In most instances reimbursement will be limited to the conference rate, however, exceptions may be made in extenuating circumstances as determined by the Treasurer.)
- F. meals

The maximum per-day/per-meal allowance/stipend (includes a fifteen percent (15%) gratuity) for all travel (except for travel to the major cities listed below) is:

Brunch/Breakfast	\$8.00
Lunch	\$12.00
Dinner	\$20.00

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Emergency and/or unanticipated trips involving Board expense(s) may be approved by the Superintendent and/or the Treasurer.

The Board will not pay personal expenses beyond the cost of the convention.

The expenses will be reimbursed within the budgetary appropriation.

Advance payments may be paid only for the following: conference registration fees, plane, train, car rental, meal stipend, and lodging. Cancellation fees will be covered if beyond the employee's control.

Actual expenses are approved by the Treasurer for professional and classified staff. The Treasurer approves expenses incurred by the Superintendent. The Superintendent approves expenses incurred by the Treasurer.

Business related mileage for the Corporation is reimbursable under the following conditions:

- A. Requests for reimbursement are to be submitted on the Monthly Mileage Report. The report must be approved by the Department Head or Principal. Parking receipts are required for reimbursement. Incomplete reports will be returned.
- B. Mileage will be reimbursed at the Board approved rate according to the published Internal Revenue Service rate per mile.
- C. Mileage will be reimbursed during the fiscal year it was incurred. Forms must be submitted to the Treasurer.

Approved 7/9/12

## 6605 - CROWDFUNDING

The following procedures must be complied with for all crowdfunding campaigns that are conducted or overseen by School Corporation employees for activities that relate to or are undertaken as a part of their job assignments. These procedures do not apply to crowdfunding campaigns that a staff member may pursue for non-Corporation related activities, in which case the employee's affiliation with the Corporation may not be referenced and Corporation resources may not be used. Staff members are prohibited from using the Corporation's or school's name or any identifying features unless the staff member fully complies with the procedures outlined below.

### **Crowdfunding Platform Approval**

The Superintendent shall pre-approve any crowdfunding website or service that a staff member intends to use for a Corporation-affiliated crowdfunding campaign. Such websites must contain terms and conditions that are acceptable to the School Board and consistent with Board policy and applicable laws and regulations. In determining whether to approve a specific crowdfunding service, the Superintendent shall take into consideration whether the website specializes in or has special expertise or experience in managing crowdfunding campaigns involving educational institutions. The Superintendent also should consider the amount of fees charged by the service to host/run the crowdfunding campaign, including any penalties associated with the failure of the campaign to reach its established target. For services that have 501(c)(3) designation, the underlying organization must affirm that it files all appropriate reports, including required registrations, with applicable governmental entities in states where donors reside. Staff members may use only websites/services that send the donated funds and/or purchased items directly to the Corporation/School, and not the staff member.

### **Applications & Pre-Approval of Content**

Prior to beginning a campaign and making the initial posting of the project on an approved crowdfunding site, the staff member must submit and obtain approval of an application to the Principal that includes the following information:

- A. A budget for the project for which the campaign will be raising the funds or supplies and equipment and a description of how the project will be administered. If salaries are included, applicable fringe benefits also must be listed.
- B. A copy of any narratives that will be submitted as testimonials in order to solicit the funds on the website along with any photos that the staff member wants to use on the crowdfunding site. Postings that describe the purpose and rationale for conducting the crowdfunding campaign may not reflect negatively upon the Corporation, its programs and services, or its staff and students. When describing the purpose of the crowdfunding project, staff

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members are prohibited from identifying specific students and/or their areas of disability or need. Additionally, postings should in no way state or imply that the funds and/or equipment/supplies received through the crowdfunding campaign are necessary in order for students to be appropriately served and educated. Any photos and any information contained in the narratives must protect student privacy and comply with FERPA.

As such, in order for students' names and/or images to be utilized (which is discouraged), the staff member must obtain written authorization from the students' parents/guardians. Such authorization must be included with the application.

- C. A copy of the biographical information or personal profile that will be utilized by the staff member on the crowdfunding site.
- D. Confirmation that the funds raised and/or the items purchased by the crowdfunding site will go directly from the crowdfunding site to the Principal of the school that will be benefitted by the funds/items.
- E. A description of any rewards, perks, or thank you gifts that will be provided to donors, including the cost and source of the reward, perk or thank you gift. Students may not participate in the creation/production of rewards, perks or thank you gifts
- F. If feasible, the staff member shall include in the posting a link to this Board policy/guideline.

The Principal will review the application along with the text that will be utilized in any crowdfunding materials to verify the proposed project and posting (1) will not create any legal liabilities, (2) complies with Board policy and guidelines, and (3) does not violate State and Federal laws and regulations. The Principal should pay particular attention to verify the posting does not infringe on student privacy rights and intellectual property laws.

If a Principal identifies an issue that may have legal implications, s/he is required to notify the Superintendent so that the Corporation's legal counsel may be consulted prior to the Principal rendering a decision on the proposal or posting.

The Superintendent shall have final decision-making authority on granting permission for a crowdfunding proposal or posting.

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Once the project and its materials are approved, the posting may be submitted to the crowdfunding site and the campaign commenced.

Staff members may use Corporation Technology Resources to carry out approved crowdfunding activities.

Staff members are not entitled to additional compensation for their work on crowdfunding campaigns.

Campaigns will be limited in duration, as set forth in the application.

When the project is approved, the staff member/sponsor will provide the Superintendent with any information needed for the Corporation to receive donated funds directly from the crowdfunding site. The staff member is responsible for verifying that the crowdfunding site is a charitable organization (i.e., a 501(c)(3) entity) so that contributions to it are tax-deductible to the donors. If the entity selected is not a 501(c)(3) organization, the staff member must include in the posting a clear statement that donations to the fundraising project are not guaranteed to be tax-deductible and that donors should take individual action, including consulting with a tax professional, to determine their tax obligations and/or consequences of their donation. Under no circumstances will the Corporation issue documentation to donors to the crowdfunding site concerning the tax implications of any donations to the site.

The staff member must keep the Principal informed of the status of the campaign as it progresses and at its conclusion.

The staff member is responsible for then making sure any awards, and/or appropriate recognition are sent to the appropriate donors.

Once the funds or supplies/equipment purchased by the crowdfunding site with the proceeds of the campaign are received, they will be made available to the staff member for the express purpose of fulfilling the stated purpose of the project. The staff member, in conjunction with the Principal, is responsible for making sure any funds received are used for the express purpose for which they were raised; the employee must submit to the Principal documentation of any expenditures of the funds, including any purchases made with those funds. Such documentation must be submitted within one (1) week of the expenditure. All funds raised and materials donated are considered the property of the Corporation and shall remain in the Corporation in the event the staff member who ran the crowdfunding campaign terminates his/her employment with the Corporation.

The staff member must submit a final report on the project to the Principal and Superintendent. Failure to publish a final report will jeopardize the employee's ability to engage in crowdfunding in the future. A copy of the report may be sent to the donors via email and the results of the campaign on the crowdfunding site may be posted if approved by the Principal.

A staff member who violates Policy [6605](#) or this guideline is subject to disciplinary action.

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The preceding guidelines also apply to parents, Corporation-affiliated organizations (e.g., PTA/PTO, Athletic/Band Booster Groups) and/or students who wish to raise funds for a specific classroom, school, or school activity through a crowdfunding campaign.

Approved 5/8/17

## 6610 - EXTRA-CURRICULAR ACCOUNTS

- A. There shall be established in the various schools as necessary an extra-curricular account for the purpose of accounting for the receipts and expenditures of student and other activities.
- B. The principal is the custodian of such account and may establish funds in the extra-curricular account as necessary to properly account for the receipts and expenditures of various activities.
- C. A treasurer shall be appointed to maintain the records of receipts and expenditures in the extra-curricular account and such treasurer shall be bonded.
- D. In addition to any other funds, the principal may:
  - 1. Establish an interest fund for the purpose of receipting interest earned from extra-curricular fund investments.
  - 2. Establish a general fund for the purpose of receipting revenue from sources which cannot be attributed to a specific group.
  - 3. Expend such revenue for purposes which in the opinion of the principal are for the general benefit of the students.
- E. The principal shall submit an extra-curricular financial summary to the Board monthly.
- F. Each principal and treasurer shall follow the properly prescribed procedure for maintaining records for the extra-curricular account.

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## 6610A - STUDENT ACTIVITY FUNDS

All student activity funds will be managed by the bonded School Treasurer in accordance with the guidelines established by the State Board of Accounts in its Handbook of Instruction for extra-curricular accounts. The Treasurer shall be responsible for ensuring that the Corporation has the current edition of this handbook.

## 6610B - PROCEDURE FOR INACTIVE ACTIVITY ACCOUNTS

Prior to the termination of a student-activity organization, all funds remaining in the treasury must be disposed of in one of the following ways:

- A. Expended by vote of the organization controlling these funds as provided for in the bylaws.
- B. Transferred to another student-activity organization following the standard withdrawal procedure.
- C. Transferred to the School Corporation for a specific and designated purpose. When the student-activity organization votes to dispose of funds in this manner, the following procedure will be applied:  
The organization submits a signed statement authorizing the Corporation to use the funds in a specific manner as agreed by the student organization.
- D. Transferred by motion of the Board to the general student organization if none of the preceding ways has been implemented.

## 6611 - TICKET SALES

The following guidelines apply to all school events at which tickets are sold.

### *Responsibilities of the Activity Sponsor*

- A. Establish the price and make arrangements for the printing of the tickets.
- B. Obtain approval from the principal for any complimentary tickets to be given away.
- C. Select the ticket sellers and provide them with the appropriate number of tickets, the forms needed to account for the sales, and the currency and coins needed for making change. Make sure they understand the sales and accounting procedure.
- D. Make a record of the number of tickets given to each seller.
- E. Receive the money, ticket-sales accounting form, and unsold tickets from each seller and reconcile the money collected with the ticket-sales accounting record. Maintain a record of unsold tickets.

Identify any discrepancies in ticket sales from each seller. Secure written explanation of such a discrepancy from the seller and report all findings to the Treasurer.

- F. Prepare the deposit record and deposit the funds in the depository designated by the Treasurer.
- G. Make note of any changes in procedure that should be incorporated into the next ticket sale.

### *Responsibilities of the Ticket Seller*

- A. If tickets are numbered, make a record of the first and last numbers to verify the number of tickets received from the activity supervisor. Verify the prices, particularly if there are price differentials.
- B. Complete the information called for on the form heading.
- C. Collect the money from the purchaser, verify that the amount is correct, and provide the purchaser with the ticket(s).
- D. At the end of the sale, record the number of the first unsold ticket and count the number of tickets sold. If tickets have been sold at different prices, record the number sold at each price.
- E. Organize the money collected by denomination and then count each denomination. For each price category, compare the actual total with the total obtained by multiplying the number of tickets sold by the price of each ticket.
- F. Provide the activity supervisor with the money, ticket-sales accounting record, and the unsold tickets.

## 6700 - FAIR LABOR STANDARDS ACT ("FLSA") EXEMPTIONS

The Fair Labor Standards Act ("FLSA") provides that certain employees are exempt from the overtime and minimum wage provisions of the law. The following guidelines will be utilized to ensure compliance with the FLSA.

### Exemptions

The following tests must be met in order for a school employee to be considered exempt from the overtime and minimum wage provisions of the FLSA in each listed category and therefore considered an exempt employee for the purposes of Board Policy 6700:

A. Executive

To qualify for the executive employee exemption, all of the following tests must be met:

1. The employee must be compensated on a salary basis (as defined in the regulations) at a rate not less than \$455 per week;
2. The employee's primary duty must be managing the enterprise, or managing a customarily recognized department or subdivision of the enterprise;
3. The employee must customarily and regularly direct the work of at least two (2) or more other full-time employees or their equivalent; and
4. The employee must have the authority to hire or fire other employees, or the employee's suggestions and recommendations as to the hiring, firing, advancement, promotion or any other change of status of other employees must be given particular weight.

Generally, "management" includes, but is not limited to, activities such as interviewing, selecting, and training of employees; setting and adjusting their rates of pay and hours of work; directing the work of employees; maintaining production or sales records for use in supervision or control; appraising employees' productivity and efficiency for the purpose of recommending promotions or other changes in status; handling employee complaints and grievances; disciplining employees; planning the work; determining the techniques to be used; apportioning the work among the employees; determining the type of materials, supplies, machinery, equipment or tools to be used or merchandise to be bought, stocked and sold; controlling the flow and distribution of materials or merchandise and supplies; providing for the safety and security of the employees or the property; planning and controlling the budget; and monitoring or implementing legal compliance measures.

The phrase "a customarily recognized department or subdivision" is intended to distinguish between a mere collection of employees assigned from time to time to a specific job or series of jobs and a unit with permanent status and function. A customarily recognized department or subdivision must have a permanent status and a continuing function. For example, a large employer's human resources department might have subdivisions for labor relations, pensions and other benefits, equal employment opportunity, and personnel management, each of which has a permanent status and function.

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B. Administrative

To qualify for the administrative employee exemption, all of the following tests must be met:

1. The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$455 per week;
2. The employee's primary duty must be the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers; and
3. The employee's primary duty includes the exercise of discretion and independent judgment with respect to matters of significance.

The administrative exemption shall apply to employees earning the minimum salary noted above whose primary duty is performing administrative functions directly related to academic instruction or training in an educational establishment. Academic administrative functions include operations directly in the field of education, and do not include jobs relating to areas outside the educational field.

Employees engaged in academic administrative functions include: the Superintendent or other head of an elementary or secondary school system, and any assistants responsible for administration of such matters as curriculum, quality and methods of instructing, measuring and testing the learning potential and achievement of students, establishing and maintaining academic and grading standards, and other aspects of the teaching program; the principal and any vice-principals responsible for the operation of an elementary or secondary school; department heads in institutions of higher education responsible for the various subject matter departments; academic counselors and other employees with similar responsibilities.

C. Learned Professionals

To qualify for the learned professional employee exemption, all of the following tests must be met:

1. The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$455 per week;
2. The employee's primary duty must be the performance of work requiring advanced knowledge, defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment;
3. The advanced knowledge must be in a field of science or learning; and
4. The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

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"Work requiring advanced knowledge" means work which is predominantly intellectual in character, and which includes work requiring the consistent exercise of discretion and judgment. Professional work is therefore distinguished from work involving routine mental, manual, mechanical, or physical work. A professional employee generally uses the advanced knowledge to analyze, interpret or make deductions from varying facts or circumstances. Advanced knowledge cannot be attained at the high school level.

Teachers are exempt if their primary duty is teaching, tutoring, instructing or lecturing in the activity of imparting knowledge, and if they are employed and engaged in this activity as a teacher in an educational establishment. Exempt teachers include, but are not limited to, regular academic teachers; kindergarten or nursery school teachers; teachers of gifted or disabled children; teachers of skilled and semi-skilled trades and occupations; teachers engaged in automobile driving instruction; aircraft flight instructors; home economics teachers; and vocal or instrumental music teachers. The salary and salary basis requirements do not apply to bona fide teachers.

D. **Computer Employees**

To qualify for the computer employee exemption, the following tests must be met:

1. the employee must be compensated either on a salary or fee basis at a rate not less than \$455 per week;
2. the employee must be employed as a computer systems analyst, computer programmer, software engineer or other similarly skilled worker in the computer field performing the duties described below; and
3. The employee's primary duty must consist of:
  - a. the application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software, or system functional specifications;
  - b. the design, development, documentation, analysis, creation, testing, or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;
  - c. the design, documentation, testing, creation, or modification of computer programs related to machine operating systems; or
  - d. a combination of the aforementioned duties, the performance of which requires the same level of skills.

The computer employee exemption does not include employees engaged in the manufacture or repair of computer hardware and related equipment. Employees whose work is highly dependent upon, or facilitated by, the use of computers and computer software programs (e.g., engineers, drafters, and others skilled in computer-aided design software), but who are not primarily engaged in computer systems analysis and programming or other similarly skilled computer-related occupations identified in the primary duties test described above, are also not exempt under the computer employee exemption.