Policy Number: EL-9
Policy Type: Executive Limitations
Policy Title: Asset Protection

The Administrator shall not allow assets to be unprotected, inadequately maintained, inappropriately used nor unnecessarily risked.

Accordingly, the Administrator may not:

1. Fail to obtain insurance coverage against theft and casualty losses to 100% of replacement value and against liability losses to Board members, staff or the school itself in an amount that is reasonable for schools of like size.

2. Allow unbonded personnel access to funds in excess of $50.

3. Fail to take reasonable steps to ensure that the facilities and equipment are not subject to improper wear and tear or insufficient maintenance.

4. Expose the school, its Board or staff to legal liability.

5. Make any purchase:

   a. Wherein normally prudent protection has not been given against conflict of interest;

   b. Without having obtained comparative prices based on items of similar quality;

   c. Without considering a balance between long-term quality and cost.

6. Fail to use a competitive bidding procedure for all contracted services (except professional services) and for purchases of supplies, materials and equipment in the amount of $5,000 or more, unless this is unreasonable due to geographic limitations.

7. Fail to protect intellectual property, information and files from loss or significant damage.

8. Fail to preserve and dispose of all records related to affairs or business of the school in accordance with state and federal law.

9. Receive, process or disburse funds under controls which are insufficient under generally accepted accounting procedures.

10. Invest funds in securities where contrary to state law.

11. Acquire, encumber or dispose of real property.

12. Endanger the school's public image or credibility, thereby jeopardizing the school's ability to accomplish its mission.

13. Allow the school to enter into a contract in which an employee of the school has an interest unless one or more of the following apply:

    a. The contract is awarded to the lowest responsible bidder based on competitive bidding procedures;

    b. The merchandise is sold to the highest bidder at a public auction;

    c. The transaction involves investing or depositing money in a financial institution which is in the business of loaning money or receiving money;

    d. If, because of geographic restrictions, the school could not otherwise reasonably afford the contract because the additional cost to the school would be greater than 10 percent of the contract with the interested employee or if the contract is for services that must be performed within a limited time period and no other contractor can perform the services.