

The Superintendent shall not allow assets to be unprotected, inadequately maintained, or unnecessarily risked. Furthermore, budgeting for any fiscal period or for the remaining part of any fiscal period shall not deviate from Board Ends priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan. The Superintendent shall not:

3.2.1

Fail to insure the District to the extent possible against liability losses to Board members, staff, and individuals engaged in business and/or activities on behalf of the District.

3.2.2

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

3.2.3

Make any purchases or commit the District to any capital expense beyond the mandated ceiling provided by the State of Michigan.

3.2.4

Fail to implement internal controls to ensure fiscal responsibility and sound financial condition for the District.

3.2.5

(a) Use any reserves other than as intended and permitted by law, (b) allow general fund reserves to be less than 10% of general fund expenditures for the previous twelve months, unless approved by the Board of Education (c) fail to maintain reasonable fund balances in other funds, and (d) fail to maintain sufficient appropriated reserves and (e) expend the Personnel Preservation Fund without obtaining board approval first.

3.2.6

Allow the organization to incur penalties in material amounts for tax payments, other government-ordered payments or other payments, or allow any filings that are overdue or inaccurately filed.

3.2.7

Fail to aggressively pursue receivables after a reasonable grace period.

3.2.8

Achieve compliance with these provisions by endangering future capacity to accomplish Ends.

3.2.9

Determine borrowing levels.

3.2.10

Fail to provide for an annual audit of the financial statements of the District each fiscal year by a qualified third party and make provision for payment of the expenses of conducting the audit.

3.2.11

Fail to pursue discounts offered by suppliers for early payment of invoices when appropriate.

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