

COMPENSATION AND TERMS OF PAYMENT.

Fees shall be based on the time required by the individuals assigned by the auditor, plus direct expenses. Individual hourly rates vary according to the degree of responsibility involved and the skill required.

Jeff Kropp, CPA, is the owner or partner in charge of all work performed and is responsible for all aspects of this engagement.

The auditor estimates the fee for this examination and above listed reports will not exceed:

<u>Year Ended</u>	<u>Financial Audit</u>
June 30, 2016	\$ 9,000
June 30, 2017	\$ 9,500
June 30, 2018	\$ 10,000

If a single audit is required in any year, the additional fee will be \$2,500.

Should unforeseen difficulties be encountered during the examination which would require additional work by the auditor, an estimate of the cost of such additional work shall be brought to the board's attention prior to the performance of the additional work.

Any membership audits requested by the district will be billed at our standard hourly rate at the time.

The auditor may submit invoices as work progresses and as expenses are incurred. Invoices are due upon receipt by the district.

Stanley-Boyd Schools

By: _____

Title: _____

Accounting Workshop, SC

By: 
Jeff Kropp, CPA

SL7 Financial Administration

Whereas the Board expects the district's finances to be administered in an ethical and prudent manner;

The Superintendent may not:

1. Indebit the district through general obligation notes or bonds and tax anticipation notes unless authorized by the Board.
2. Enter contract agreements exceeding two years or \$10,000 per year without Board approval.
3. Fail to maintain a contract management system and file.
4. Fail to settle payroll and debts in a timely manner.
5. Allow reports, filings and payments required by any state or federal agency to be overdue or inaccurately filed.
6. Fail to arrange for the annual audit of all district funds and accounts following the close of the fiscal year.
7. Fail to pursue receivables in a reasonable grace manner.
8. Fail to keep complete and accurate financial records by funds and accounts in accordance with generally accepted accounting principles (GASB).
9. Withhold from the board duly requested financial information.
10. Fail to preserve and dispose of all records related to affairs or business of the district in accordance with state and federal law.
11. Receive, process or disburse funds under controls that are insufficient under generally accepted accounting procedures.
12. Increase any student fees or charges without Board approval.
13. Fail to honor properly presented open records requests.

SL8 Asset Protection

Whereas, the board expects the district's property to be maintained and protected from loss;

The Superintendent may not:

1. Fail to obtain insurance coverage against burglary and casualty losses to 100% of replacement value and against liability losses to Board members, staff and the district itself in an amount that is reasonable for school districts of like size.
2. Knowingly or recklessly expose the district, its Board or staff to legal liability.
3. Knowingly or recklessly endanger the district's public image or credibility.
4. Make any purchase:
 - a) Without exercising reasonable precaution 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 initial cost.
 - d) Without considering buying locally.
 - e) Of non-replacement, unbudgeted, capital items or construction change orders over \$10,000 without approval of the board.
5. Fail to use a competitive bidding process for capital improvements in excess of \$10,000.
6. Invest funds in securities that are not authorized by state law.
7. Acquire, encumber, or dispose of real estate without Board approval.
8. Neglect maintenance of district facilities, equipment, buildings and grounds.
9. Fail to adopt practices to protect the security of buildings.
10. Knowingly permit the operation of unsafe busses or other district vehicles.
11. Name facilities without Board approval.
12. Close facilities without Board approval.