

1 **R277. Education, Administration.**

2 **R277 113. LEA Fiscal and Auditing Policies.**

3 **R277-113-1. Authority and Purpose.**

4 (1) This rule is authorized by:

5 (a) Utah Constitution Article X, Section 3, which vests general control and
6 supervision over public education in the Board;

7 (b) Subsection [53E-3-401\(4\)](#), which allows the Board to make rules to execute
8 the Board's duties and responsibilities under the Utah Constitution and state law;

9 (c) Subsection [53E-3-501\(1\)\(e\)\(i\)](#), which directs the Board to establish rules and
10 minimum standards for school productivity and cost effectiveness measures;

11 (d) Subsection [53E-3-501\(1\)\(e\)\(iv\)](#), which allows the Board to adopt rules
12 regarding financial, statistical, and student accounting requirements;

13 (e) Section [53E-3-602](#), which allows the Board to approve auditing standards
14 for LEA governing boards;

15 (f) Section [53E-3-603](#), which requires the Board to verify accounting procedures
16 of LEA governing boards for the purpose of determining the allocation of Uniform
17 School Funds;

18 (g) Section [53E-5-202](#), which directs the Board to adopt rules to implement a
19 statewide accountability system;

20 (h) Subsection [53G-5-404\(4\)](#), which requires charter schools to make the same
21 annual reports required of other public schools, including an annual financial audit
22 report; and

23 (i) ESSA, which requires states to revise and redesign school accountability
24 systems.

25 (2) The purpose of this rule is to:

26 (a) require LEAs to formally adopt and implement policies regarding the
27 management and use of public funds;

28 (b) provide minimum standards, procedures and definitions for LEA policies;

29 (c) direct that LEAs make policies, procedures and training materials available

30 to the public and readily accessible on LEA or public school websites, to the extent of
31 resources available;

32 (d) require LEAs to train employees in:

33 (i) appropriate financial practices;

34 (ii) necessary accounting procedures; and

35 (iii) ethical financial practices;

36 (e) specify uniform budgeting, accounting, and auditing procedures for LEAs
37 consistent with GAAP, GAAS, and GAGAS; and

38 (f) establish reporting and accounting requirements for LEAs to enable the
39 Board to comply with ESSA.

40

41 **R277-113-2. Definitions.**

42 (1) "Accrual basis of accounting" means a basis of accounting that records:

43 (a) revenue when earned and expenses when incurred; and

44 (b) transactions irrespective of the dates on which any associated cash flows
45 occur.

46 (2) "Administration" means:

47 (a) an LEA superintendent or director;

48 (b) a deputy or associate superintendent or director;

49 (c) a business administrator or manager; or

50 (d) another LEA educational administrator, designated staff, or a designated
51 educational service provider.

52 (3) "Arm's length transaction" means a transaction between two unrelated,
53 independent, and unaffiliated parties or a transaction between two parties acting in their
54 own self interest that is conducted as if the parties were strangers so that no conflict of
55 interest exists.

56 (3) "Exclusive contract or arrangement" means an agreement requiring a buyer
57 to purchase or exchange all needed goods or services from one seller.

58 (4) "FASB" means the Financial Accounting Standards Board whose purpose is

59 to establish GAAP for nongovernmental entities within the United States.

60 (5) "GAAP" means Generally Accepted Accounting Principles or a common
61 framework of accounting rules and standards for financial reporting promulgated by
62 either FASB or GASB, as applicable to the reporting entity.

63 (6) "GAAS" means Generally Accepted Auditing Standards or a set of auditing
64 standards and guidelines promulgated by the Auditing Standards Board of the American
65 Institute of Certified Public Accountants.

66 (7) "GAGAS" means Generally Accepted Government Auditing Standards or a
67 set of auditing standards and guidelines promulgated by the Government Accountability
68 Office.

69 (8) "GASB" means the Governmental Accounting Standards Board whose
70 purpose is to establish GAAP for state and local governments within the United States.

71 (9) "Internal controls" means a process, implemented by an entity's governing
72 body, administration, or other personnel, designed to:

73 (a) provide reasonable assurance regarding the achievement of objectives in the
74 following categories:

75 (i) effectiveness and efficiency of operations;

76 (ii) reliability of reporting for internal and external use; and

77 (iii) compliance with applicable laws and regulations;

78 (b) provide reasonable assurance regarding the achievement of the following
79 objectives over state and federal awards:

80 (i) proper recording and accounting for transactions, in order to:

81 (A) permit the preparation of reliable financial statements and state and federal
82 reports;

83 (B) maintain accountability over assets; and

84 (C) demonstrate compliance with state and federal statutes, regulations, and
85 the terms and conditions of state and federal awards; and

86 (ii) execution of transactions in compliance with:

87 (A) all state and federal statutes and regulations; and

88 (B) the terms and conditions of state or federal awards; and

89 (c) safeguard funds, property, and other against loss from unauthorized use or
90 disposition.

91 ~~[(10) "LEA" includes, for purposes of this rule, the Utah Schools for the Deaf
92 and the Blind.]~~

93 ([12]10) "Modified accrual basis of accounting" means a basis of accounting,
94 commonly used by government agencies, that recognizes revenues when they become
95 available and measurable and recognizes expenditures when liabilities are incurred.

96 ([13]11) "Non-operating LEA" means an LEA that has not received minimum
97 school program funds or federal funds and is not providing educational services during
98 a fiscal year, such as an LEA in a start-up period.

99 ([14]12) "N-size" means the minimum size necessary to disclose or display data
100 to ensure maximum student group visibility while protecting student privacy.

101 ([15]13) "Operating LEA" means an LEA that has received state minimum
102 school program funds or federal funds and is providing educational services during a
103 fiscal year.

104 ([16]14)(a) "Provided, sponsored, or supported by a school" has the same
105 meaning as defined in Section [R277-407-2](#).

106 (b) "Provided, sponsored, or supported by a school" does not apply to
107 non-curricular clubs specifically authorized and meeting all criteria of Sections
108 [53G-7-704](#) through [53G-7-707](#).

109 ([17]15) "Public funds" has the same meaning as that terms is defined in
110 Subsection [51-7-3\(26\)](#).

111 ([18]16) "Title IX" refers to that portion of the United States Education
112 Amendments of 1972 codified as 20 U.S.C. 1681 through 20 U.S.C. 1688.

113 ([19]17) "Utah Public Officers' and Employees' Ethics Act," means Title 67,
114 Chapter 16, which provides standards of conduct for officers and employees of the
115 state of Utah and its political subdivisions in areas where there are actual or potential
116 conflicts of interest between public duties and private interests.

117 **R277-113-3. Superintendent Responsibilities.**

118 (1) The Superintendent shall provide training, informational materials, and
119 model policies for use by LEAs in developing LEA and public school-specific financial
120 policies.

121 (2) The Superintendent shall provide online training and resources for LEAs
122 regarding the use and management of public funds and ethical practices for licensed
123 Utah educators who manage, control, participate in fundraising, or expend public funds.

124 (3) The Superintendent shall provide training and informational materials for use
125 by LEA governing boards in establishing their audit committees and internal audit
126 programs in compliance with Section [53G-7-402](#).

127 (4) The Superintendent shall provide and establish a cycle for state review of
128 LEA fiscal policies and standards.

129 (5) The Superintendent shall work with and provide information upon request to
130 the Utah State Auditor's Office, the Legislative Fiscal Auditors, and other state agencies
131 with the right to information from the Board.

132
133 **R277-113-4. LEA Audit Responsibilities.**

134 (1) The presiding officer of an LEA governing board shall ensure that the
135 members of the governing board and audit committee are provided with training on the
136 requirements of Title 53G, Chapter 7, Part 4, Internal Audits, and this Section
137 [R277-113-4](#) as part of the member on-boarding process.

138 (2) The training described in Subsection (1) shall:

139 (a) comply with Title 63G, Chapter 22, State Training and Certification
140 Requirements; and

141 (b) use the online training and informational materials provided by the
142 Superintendent in accordance with Subsection [R277-113-3\(3\)](#).

143 (3) An LEA governing board shall:

144 (a) designate board members to serve on an audit committee, consistent with
145 Subsection [53G-7-401\(1\)](#); and

- 146 (b) maintain the following information on the LEA's website:
- 147 (i) names of the governing board members who serve on the audit committee;
- 148 and
- 149 (ii) if required by Subsection [53G-7-402\(2\)](#);
- 150 (A) the name and contact information of the internal audit director; and
- 151 (B) a copy of the LEA's annual audit plan.
- 152 (4) An LEA audit committee shall:
- 153 (a) ensure the LEA obtains all audits, agreed-upon procedures, engagements,
- 154 and financial reports required by Section [51-2a-201](#) and Subsection [53G-5-404\(4\)](#);
- 155 (b) provide an independent forum for internal auditors, internal audit
- 156 contractors, and other regulatory bodies to report findings of fraud, waste, abuse,
- 157 non-compliance, or control weaknesses, particularly if LEA administration is involved;
- 158 (c) ensure that corrective action on findings, concerns, issues and exceptions
- 159 reported by independent external auditors, internal auditors, or other regulatory bodies
- 160 are resolved in a timely manner by LEA administration;
- 161 (d) present, as appropriate, information and reports from the audit committee's
- 162 meetings to the LEA board; and
- 163 (e) receive, as appropriate, reports of reviews, monitoring, or investigations
- 164 conducted by LEA administration and ensure appropriate corrective action is taken in a
- 165 timely manner.
- 166 (5) With regards to engagements completed by an independent external
- 167 auditor, an LEA audit committee shall:
- 168 (a) manage the audit procurement and quality process in compliance with Title
- 169 63G, Chapter 6a, State Procurement Code and Rule [R123-5](#);
- 170 (b) ensure that the independent external auditor has access to directly
- 171 communicate with the audit committee;
- 172 (c) review disagreements between independent external auditors and LEA
- 173 administration;
- 174 (d) consider LEA responses to audits or agreed-upon procedures; and

175 (e) determine the scope and objectives of other non-audit services, as
176 necessary.

177 (6) An LEA audit committee shall if required by Section [53G-7-402](#):

178 (a) establish an internal audit program that provides internal audit services for
179 the programs administered by the LEA;

180 (b) advise the LEA board in the appointment of an audit director or in
181 contracting for internal audit services in accordance with Subsection [53G-7-402\(3\)](#);

182 (c) conduct or advise the LEA board in an annual evaluation of the internal audit
183 director or contractors providing internal audit services;

184 (d) prioritize the internal audit plan based on risk;

185 (e) receive regular updates on the internal audit plan and internal audit project
186 progress; and

187 (f) receive final internal audit reports from internal auditors or contractors
188 providing internal audit services.

189
190 **R277-113-5. LEA Fiscal Responsibilities and Required Fiscal Policies.**

191 (1) An LEA shall review the LEA's fiscal policies and procedures regularly.

192 (2) An LEA shall develop a plan for annual training of LEA and public school
193 employees on policies and procedures enacted by the LEA specific to job function.

194 (3) LEA fiscal policies and procedures shall be available at each LEA main
195 office, at individual public schools, and be publicly available on the LEA's website.

196 (4) LEA fiscal policies, procedures, and training may have different
197 components, specificity, and levels of complexity for public elementary and secondary
198 schools.

199 (5) An LEA may have one or more policies to satisfy the minimum requirements
200 of this [R277-113](#).

201 (6) An LEA fiscal policy may reference specific training manuals or other
202 resources that provide detailed descriptions of business practices which are too lengthy
203 or detailed to include in the LEA policy.

204 (7) A public education foundation established by an LEA shall follow the
205 requirements set forth in Section [53E-3-403](#).

206 (8)(a) An LEA shall ensure that the LEA's written fiscal policies and procedures
207 address all applicable state and federal statutes and regulations.

208 (b) The requirements set forth in this Section [R277-113-5](#) are minimum
209 requirements.

210 (c) An LEA may include other related items, provide LEA specific policy and
211 guidance, and set polices that are more restrictive and inclusive than the minimum
212 provisions established by Board rule.

213 (9) LEA fiscal policies shall include the following:

214 (a) a program accounting policy that establishes internal controls and
215 procedures to record program revenues and expenditures in accordance with:

216 (i) GAAP; and

217 (ii) the school fee provisions in Section [R277-407-13](#);

218 (b) a program accounting policy that:

219 (i) accurately reflects the use of funds for allowable costs and activities;

220 (ii) requires that transactions be recorded when they occur;

221 (iii) allows adjusting journal entries during the year and at the end of the year, in
222 accordance with GAAP; and

223 (iv) requires that initial transactions, and adjusting entries if applicable, be
224 recorded in the proper program, utilizing the following codes as established by the
225 Board approved chart of accounts:

226 (A) fund;

227 (B) function;

228 (C) program;

229 (D) location; and

230 (E) object or revenue code, as applicable;

231 (c) a cash handling policy, which shall address cash receipts (cash, checks,
232 credit cards, and other items) collected at the LEA and individual public schools and

233 shall include:

234 (i) establishment of internal controls and procedures over the collection,
235 deposit, and reconciliation of cash receipts received; and

236 (ii) compliance with Utah Code [51-4-2\(2\)](#) regarding deposits.

237 (d) an expenditure policy, which shall address all expenditures made by the
238 LEA and individual public schools and shall include:

239 (i) establishment of internal controls and procedures over the initiation, approval
240 and monitoring of expenditures, including:

241 (A) credit, debit, or purchase card transactions;

242 (B) employee reimbursements;

243 (C) travel; and

244 (D) payroll;

245 (ii) directives regarding the appropriate use of the LEA's tax exempt status
246 number;

247 (iii) compliance with Section [63G-6a-1204](#) regarding length of multi-year
248 contracts;

249 (iv) compliance with:

250 (A) Title 63G, Chapter 6a;

251 (B) Board rule regarding construction and improvements; and

252 (C) Title IX;

253 (v) requirements for LEA contracts, including:

254 (A) inclusion of specific scope of work language;

255 (B) inclusion of federal requirements;

256 (C) inclusion of language regarding data privacy and use, where appropriate;

257 and

258 (D) legal review prior to LEA approval; and

259 (vi) procedures and documentation maintained by the LEA if the LEA chooses
260 to enter into exclusive contracts or arrangements consistent with state procurement law
261 and the LEA procurement policy; and

- 262 (vii) procedures for determining allowability of costs in accordance with relevant
263 regulations and terms and conditions of awards;
- 264 (e) a fundraising policy that:
- 265 (i) establishes procedures for LEA and public school fundraising in general;
- 266 (ii) establishes an approval process for fundraising activities for school
267 sponsored activities;
- 268 (iii) provides for compliance with school fee and fee waiver provisions outlined
269 in Rule [R277-407](#); and
- 270 (iv) includes:
- 271 (A) specific designation of employees by title or job description who are
272 authorized to approve fundraising, school sponsored activities, and grant fee waivers
273 with appropriate attention to student and family confidentiality;
- 274 (B) establishment of internal controls and procedures over the approval of
275 fundraising and school sponsored activities and compliance with associated cash
276 handling and expenditure policies;
- 277 (C) directives regarding the appropriate use of the LEA's tax exempt status
278 number and issuance of charitable donation written disclosure in accordance with IRS
279 regulations;
- 280 (D) procedures governing LEA or public school employee interaction with
281 parents, donors, and organizations doing fundraisers not provided, supported or
282 sponsored, by a school or LEA;
- 283 (E) disclosure requirements for LEA and public school employees approving,
284 managing, or overseeing fundraising activities, who also have a financial or controlling
285 interest or access to bank accounts in the fundraising organization or company;
- 286 (F) Provisions establishing compliance with:
- 287 (I) Utah Constitution, Article X, Section 2, establishing a free public education
288 system;
- 289 (II) [R277-407](#); and
- 290 (III) Title IX;

- 291 (v) may include procedures governing:
292 (A) student participation and incentives offered to students;
293 (B) allowable types of individual or group fundraising activities; and
294 (C) participation in school sponsored activities by volunteer or outside
295 organizations;
296 (f) an LEA donation and gift policy that includes:
297 (i) an acceptance and approval process for:
298 (A) monetary donations;
299 (B) donations and gifts with donor restrictions;
300 (C) donations of gifts, goods, materials, or equipment; and
301 (D) donation of funds or items designated for construction or improvements of
302 facilities;
303 (ii) establishment of internal controls and procedures over the acceptance and
304 approval of donations and gifts and compliance with associated cash handling and
305 expenditure policies;
306 (iii) directives regarding the appropriate use of the LEA's tax exempt status
307 number, and issuance of charitable donation written disclosure in accordance with IRS
308 regulations;
309 (iv) procedures regarding the objective valuation of donations or gifts if
310 advertising or other services are offered to the donor in exchange for a donation or gift;
311 (v) procedures governing LEA or public school employee conduct with parents,
312 donors, and nonschool sponsored organizations;
313 (vi) procedures establishing provisions for direct donations or gifts to the LEA or
314 LEA programs, individual public school or public school programs;
315 (vii) provisions restricting donations from being directed at specific LEA
316 employees, individual students, vendors, or brand name goods or services;
317 (viii) compliance with:
318 (A) Title 63G, Chapter 6a;
319 (B) state law and Board rule regarding construction and improvements;

- 320 (C) IRS regulations and tax deductible directives; and
321 (D) Title IX;
322 (ix) procedures for:
323 (A) accepting donations and gifts through an LEA's legally organized
324 foundation, if applicable;
325 (B) recognition of donors; or
326 (C) granting naming rights; and
327 (g) an LEA Financial Reporting policy, which shall include the following:
328 (i) a requirement that the LEA shall ensure external audits of LEA financial
329 reporting, compliance, and performance, in accordance with GAAS and GAGAS;
330 (ii)(A) a requirement that the LEA shall provide financial reporting in a manner
331 consistent with the basis of accounting as required by GAAP, as applicable to the entity;
332 (B) for state fiscal year 2020, if an LEA follows FASB standards, a requirement
333 that the LEA shall provide reconciliation between the accrual basis of accounting and
334 modified accrual basis of accounting; and
335 (C) beginning with state fiscal year 2021, a requirement that the basis of
336 accounting will be GASB; and
337 (iii) a requirement that the LEA shall provide data and information consistent
338 with budgeting, accounting, including the uniform chart of accounts for LEAs, and
339 auditing standards for Utah LEAs provided online annually by the Superintendent.
340 (10) The Superintendent shall maintain a School Finance website with
341 applicable Utah statutes, Board rules, and uniform rules for:
342 (a) budgeting;
343 (b) financial accounting, including a chart of accounts required for an LEA;
344 (c) student membership and attendance accounting;
345 (d) indirect costs and proration;
346 (e) financial audits;
347 (f) statistical audits; and
348 (g) compliance and performance audits.

349

350 **R277-113-6. LEA Governing Board Fiscal Responsibilities.**

351 (1) An LEA governing board shall have the following responsibilities:

352 (a) approve written fiscal policies and procedures required by Section
353 [R277-113-5](#);

354 (b) ensure, considering guidance in “Standards for Internal Control in the
355 Federal Government,” issued by the Comptroller General of the United States or the
356 “Internal Control Integrated Framework,” issued by the Committee of Sponsoring
357 Organizations of the Treadway Commission, that LEA administration establish,
358 document, and maintain an effective internal control system for the LEA;

359 (c) develop a process to regularly discuss and review LEA:

360 (i) budget and financial reporting practices;

361 (ii) financial statements and annual financial and program reports;

362 (iii) financial position;

363 (iv) expenditure of restricted funds to ensure administration is complying with
364 applicable laws, regulations, and award terms and conditions; and

365 (v) systems and software applications for compliance with financial and student
366 privacy laws;

367 (d) receive the results of required annual audits from the external auditor in
368 accordance with Section [R123-5-5](#);

369 (e) oversee procurement processes in compliance with Title 63G, Chapter 6a,
370 Utah Procurement Code, and Rule [R277-115](#), including:

371 (i) reviewing the scope and objectives of LEA contracts or subawards with
372 entities that provide business or educational services; and

373 (ii) receiving reports regarding the compliance and performance of entities with
374 contracts or subawards;

375 (f) ensure the procurement process for an external auditor is in compliance with
376 Section [R123-5-4](#);

377 (g) ensure LEA administration implements sufficient internal controls over the

378 functions of entities with contracts or subawards to perform services on behalf of the
379 LEA;

380 (2) An LEA governing board shall:

381 (a)(I) provide a hotline independent from administration for stakeholders to
382 report concerns of fraud, waste, abuse, or non-compliance; and

383 (ii) post on the school's website in a readily accessible location:

384 (A) a hotline phone number;

385 (B) a hotline email; or

386 (C) an online complaint form; or

387 (b) post a link on the school's website in a readily accessible location with
388 contact information for the Board's hotline.

389

390 **R277-113-7. Reporting of School Level Expenditures.**

391 (1) In accordance with ESSA, the Superintendent shall make public the per
392 pupil expenditures of federal, state, and local funds, for each LEA and each school in
393 the state.

394 (a) The Superintendent shall exclude expenditures that:

395 (i) are non-current;

396 (ii) do not reflect the day-to-day operations of an LEA or school;

397 (iii) do not contribute to k-12 education; or

398 (iv) are significant, unique expenditures that may skew data in certain years and
399 thwart year-to-year comparison.

400 (b) The Superintendent shall publish and make available a comprehensive list
401 of expenditures that are excluded from per pupil expenditure information.

402 (2) The Superintendent's school level report for each school shall include:

403 (a) average daily membership for the fiscal year covered by the report;

404 (b) an indicator if the school is:

405 (i) a Title I School; or

406 (ii) a Necessarily Existent Small School;

- 407 (c) grade levels served by each school;
408 (d) student demographics;
409 (e) expenditures recorded at the school level and central expenditures allocated
410 to each school by:
411 (i) federal program expenditures; and
412 (ii) state and local combined expenditures;
413 (f) calculated per pupil expenditures; and
414 (g) average teacher salary.
415 (3) The Superintendent may not report expenditure data for a school with an
416 n-size of less than 10.

417

418 **R277-113-8. LEA Accounting Requirements.**

- 419 (1) Each LEA shall:
420 (a) record revenues and expenditures in compliance with the Board approved
421 chart of accounts;
422 (b) record expenditures using school location codes that can be mapped to
423 official school location codes used in the Board system of record;
424 (c) record expenditures using approved district and school codes in the Board
425 system of record;
426 (d) submit expenditures using location codes in the UPEFS system;
427 (e) perform program accounting in accordance with GAAP and this rule; and
428 (f) beginning with the fiscal year that begins on July 1, 2021, accrue school
429 fees, and fee waivers and use contra-revenue accounts to record fee waivers in the
430 LEA's accounting system.
431 (2) Each LEA shall record and report the following expenditures for each school
432 annually:
433 (a) salaries;
434 (b) benefits;
435 (c) supplies;

436 (d) contracted services; and

437 (e) equipment.

438 (3) If an LEA pays for contracted services that occur at the school level, the
439 LEA shall record the payments to the contractors in the appropriate function and object
440 codes established under Subsection (2) at the school level.

441 (4)(a) An LEA shall record centralized administrative costs to the administrative
442 location code.

443 (b) The Superintendent shall allocate such costs to each school based on
444 school enrollment.

445 (7) The Superintendent shall present one expenditure report for a school
446 receiving more than one report card under Subsection [R277-497-4\(8\)](#).

447 (8) If an LEA reports expenditures in programs, the LEA shall report the
448 expenditures to one or more schools.

449

450 **R277-113-9. Activities Provided, Sponsored, or Supported by a School.**

451 (1) An LEA or school shall comply with this Section [R277-113-9](#) for all activities
452 provided, sponsored, or supported by a school.

453 (2) An LEA shall ensure that revenues raised from or during activities provided,
454 sponsored, or supported by a school are classified, recorded, and deposited as public
455 funds in compliance with LEA cash handling, program accounting, and expenditure of
456 funds policies as required by Section [R277-113-5](#).

457 (3) An LEA shall:

458 (a) maintain records in sufficient detail to:

459 (i) track individual contributions and expenditures;

460 (ii) track overall financial outcomes; and

461 (iii) verify compliance with relevant regulations; and

462 (b) make records of activities available to parents, students, and donors, except
463 as restricted by state or federal law;

464 (4) An LEA may establish LEA-specific rules or policies:

465 (a) designating categories of activities or groups as provided, sponsored, or
466 supported by the school; and

467 (b) regarding use of facilities or LEA resources.

468 (5) An LEA shall document their annual review of fundraising activities that
469 support or subsidize LEA or public school-authorized clubs, activities, sports, classes, or
470 programs to determine if the activities are provided, sponsored, or supported by a
471 school.

472 (6)(a) An LEA may enter into contractual agreements to allow for fundraising
473 and use of LEA facilities.

474 (b) An agreement under Subsection (6)(a) shall take into consideration the
475 LEA's fiduciary responsibility for the management and use of public funds, resources,
476 and assets.

477 (c) An LEA shall review an agreement under Subsection (6)(a) with the LEA's
478 insurer or legal counsel to consider risk to the LEA.

479 (7) An LEA shall comply with this Subsection (7) for any activity not provided,
480 sponsored, or supported by a school:

481 (a) An LEA shall conduct all transactions at arm's length;

482 (b) An LEA may not co-mingle revenue and expenditures with public funds; and

483 (c) A public school employee may only manage or hold funds consistent with
484 Rule R277-107.

485
486 **R277-113-10. LEA Policies and Compliance with State and Federal Law.**

487 (1) An LEA is responsible to ensure that its policies comply with the following:

488 (a) Utah Constitution Article X, Section 3;

489 (b) Title 63G, Chapter 6a, Utah Procurement Code;

490 (c) Title 51, Chapter 4, Deposit of Funds Due State;

491 (d) Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act;

492 (e) Family Educational Rights and Privacy Act, 20 U.S.C. 1232g;

493 (f) Title 63G, Chapter 2, Government Records Access and Management Act;

- 494 (g) Title 53G, Chapter 7, Student
495 https://le.utah.gov/xcode/Title53G/Chapter7/53G-7.html?v=C53G-7_201801242018012
496 4 Fees;
- 497 (h) Title 53G, Chapter 6, Textbook Fees;
- 498 (i) Section 53E-3-403, Establishment of Public Education Foundations;
- 499 (j) Title 53G, Chapter 7, Part 7, Student Clubs Act;
- 500 (k) Title 51, Chapter 2a, Accounting Reports from Political Subdivisions,
501 Interlocal Organizations, and Other Local Entities Act;
- 502 (l) Additional state legal compliance guides for operating LEAs and
503 non-operating LEAs as published by the office of the state Auditor;
- 504 (m) Subsection [51-7-3\(26\)](#), Definition of Public Funds;
- 505 (n) Title 53G, Chapter 7, Part 4, Internal Audits;
- 506 (o) Rule [R277-407](#), School Fees;
- 507 (p) Rule [R277-107](#), Educational Services Outside of Educator's Regular
508 Employment;
- 509 (q) Rule [R277-217](#), Utah Educator Standards;
- 510 (r) Rule [R277-605](#), Coaching Standards and Athletic Clinics;
- 511 (s) Rule [R123-5](#), Audit Requirements for Audits of Political Subdivisions and
512 Governmental Nonprofit Corporations; and
- 513 (t) 2 C.F.R. 200, Uniform Administrative Requirements, Cost Principles, and
514 Audit Requirements for Federal Awards.
- 515 (2) An LEA shall include the following requirements of Title IX in LEA policies:
- 516 (a) Fundraising shall equitably benefit males and females;
- 517 (b) Males and females shall have reasonably equal access to facilities, fields,
518 and equipment;
- 519 (c) School sponsored activities shall be reasonably equal for males and
520 females.

521

522 **R277-113-11. Applicability to the Utah Schools for the Deaf and the Blind.**

523 The Utah Schools for the Deaf and the Blind shall comply with:

524 (1) Subsection [R277-113-5\(9\)\(f\)](#);

525 (2) Section [R277-113-9](#); and

526 (3) Section [R277-113-10](#).

527

528 **KEY: school sponsored activities, public funds, fiscal policies and procedures,**
529 **audit committee**

530 **Date of Enactment or Last Substantive Amendment:**

531 **Authorizing, and Implemented, or Interpreted Law: Art X, Sec 3; [53E-3-401\(4\)](#);**

532 **[53E-3-501\(1\)\(e\)](#)**