

FINANCES



BOARD OF TRUSTEES POLICY
No. 601
Section: Finances
Title: Objectives
Date Adopted: February 5, 2001

Section 1. Purpose: The Board recognizes its responsibility to the taxpayers of the York City School District to be sure that public moneys expended by the CAYBCS are utilized for the furtherance of pupil education in a manner that will ensure full value to the taxpayers, and that adequate constraints and records are established to ensure that end.

Section 2. Authority: The Board has the authority and responsibility to prepare the budget, approve bids and pass upon each expenditure of the School.

Section 3. Responsibility: To meet the goals of this policy, the Board requires the CAO to:

- A. establish sound accounting procedures based upon State and Federal recommended accounting procedures and based upon the recommendations of the School auditor.
- B. institute effective business practices
- C. recommend suitable accounting equipment where necessary
- D. prepare the School budget
- E. prepare necessary financial reports
- F. recommend bills for payment



BOARD OF TRUSTEES POLICY
No. 602
Section: Finances
Title: Budget Planning
Date Adopted: February 5, 2001

Section 1. Purpose: The budget shall be designed to reflect the Board's objectives for the education of the children of the CAYBCS. Therefore, it must be organized and planned to ensure adequate understanding of the financial needs associated with program support and development. This necessitates a continuous review of the financial requirements of School programs.

Section 2. Responsibility: To meet the objectives of this policy, the Board directs the CAO to:

- A. include in all ongoing studies of the educational program, an estimated annual cost of implementing said program.
- B. prepare a long range plan for the annual maintenance and replacement of facilities and equipment
- C. prepare a budget of expenditures and income for one year
- D. prepare an annual estimate of anticipated school enrollments



BOARD OF TRUSTEES POLICY
No. 603
Section: Finances
Title: Budget Preparation
Date Adopted: February 5, 2001

Section 1. Purpose: The Board considers the preparation of an annual budget to be one of its most important responsibilities because the budget is the financial reflection of the educational plan for the School. The budget shall be designed to carry out that plan in a thorough and efficient manner.

Section 2. Authority: The budget should be studied by each member of the Board during its preparation, but once adopted, it deserves the support of all members of the Board regardless of their position when adopted was voted.

The Board recognizes its obligation to the taxpayers of the District to approve only those expenses reasonably required to provide an educational program suitable to the needs and desires of the school and its students.

Section 3. Responsibility: In order to ensure adequate time for the preparation and review of the proposed budget, the Board requests that the CAO presents to the Board all available information associated with the budget 60 days prior to the end of the fiscal year.

The budget should evolve primarily from the needs of the programs as expressed by the staff and based on the School's educational program as articulated by the CAO, and be compatible with School goals and long range plans.

In preparing the budget, the CAO shall set general priorities for expenditures for:

- A. staff for the maintenance of current programs
- B. equipment and supplies for the maintenance of current programs
- C. maintenance of existing facilities and equipment
- D. new staff for the improvement or expansion of current programs
- E. new equipment and supplies for the improvement or expansion of current programs

When presented to the Board for review, the budget shall contain the proposed revenue and expenditure in each financial category for the ensuing school year.



BOARD OF TRUSTEES POLICY
No. 604
Section: Finances
Title: Budget Notice and Public
Information
Date Adopted: February 5, 2001

Section 1. Purpose: It is the policy of the Board that the annual budget proposal once formulated represents the position of the Board and all reasonable means shall be employed by the Board to present and explain that proposed budget to all interested residents and taxpayers of the district.

Section 2. Authority: CAO shall be thoroughly familiar with, and understand the need for, each proposed expenditure so that they can answer any question directed to them. Board members shall be familiar with the budget to the degree that general questions about it can be answered.

Section 3. Responsibility: The proposed budget as formulated by this Board shall be set forth in necessary detail using forms of the Pennsylvania Department of Education and shall be made available to the public.



BOARD OF TRUSTEES Policy
No. 607
Section: Finances
Title: Tuition Income
Date Adopted: February 5, 2001

Section 1. Purpose: When the CAYBCS receives pupils who are residents of another school district tuition charges shall be assessed in accordance with the School Code. This tuition assessment shall be in accordance with B.P. 202 for those students whose membership has been approved by the Board.

Section 2. Responsibility: It shall be the responsibility of the CAO to invoice the tuition for approved pupils.



BOARD OF TRUSTEES POLICY
No. 608
Section: Finances
Title: Bank Accounts
Date Adopted: February 5, 2001

Section 1. Purpose: The Board shall designate one or more banks or bank and trust companies as depository for the safeguarding of school funds by a majority vote of thre entire Board of Trustees.

Section 2. Authority: Each designated depository shall furnish proper security for such deposits in the amount designated by the Board and in accordance with law.



CRISPUS ATTUCKS CHARTER SCHOOL

BOARD OF TRUSTEES POLICY

No. 609

Section: Finances

Title: Investments

Date Adopted: February 5, 2001

Section 1. Purpose: The CAYBCS shall optimize its return through investment of its unencumbered cash balances in such a way as to minimize non-invested balances and maximize return on investments.

Section 2. Authority: All investments of the Board by an officer or employee of the School require Board approval in accordance with the following policy.

Section 3. Responsibility: Funds of the Board may be invested in U.S. Treasury bills, placed in time accounts or share accounts of institutions insured by the F.D.I.C. to the extent such certificates are insured by a proper bond or collateral.

Investment of Board funds may be made by the CAO or his/her designee. The Board requires that the CAO or his/her designee report to the Board monthly the amount of funds in investments.

Funds of the Board may be withdrawn, by the CAO or his/her designee, from approved public depositories, or negotiable instruments owned by the Board may be sold before maturity. All securities shall be purchased in the name of the CAYBCS.

Crispus Attucks Charter School

PURCHASES SUBJECT TO BID POLICY NO. 610

Adopted: February 5, 2001

Revised: April 25, 2022

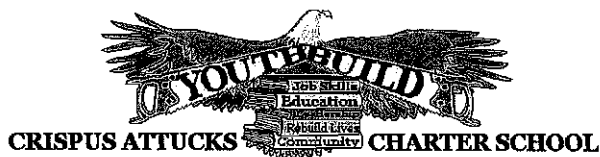
Purpose: It is the policy of the Board to obtain competitive bids for products and services where such bids are required by law or where such bids may be believed to bring about a cost saving.

Authority: Bidding and purchase acquisitions procedures shall be according to State law and regulations and will conform to the requirements of the Crispus Attucks Association.

Responsibility: Bid specifications shall be prepared by the CEO or his/her designee. When seeking competitive bids, the Board will advertise for bids in accordance with statutory procedures and send out the RFP to local and regional vendors, as well as post on the website. Records shall be kept in sufficient detail to show that reasonable numbers of vendors were invited to bid and that advertising requirements were met. Bids shall be opened publicly by the Secretary or designee before one or more witnesses at a previously designated time and place. Contracts shall be awarded to the lowest responsible bidder, meeting specifications, upon resolution of the Board, unless the Board chooses to reject all bids. The Board also recognizes that emergencies may occur when imminent danger exists to person or property, or the continuance of existing school classes is threatened, and the time for bidding cannot be provided because of the need for immediate action in accordance with Pennsylvania School Code.

Whenever a contractor shall submit a bid for the performance of work and the contractor later claims a mistake, error, or omission in preparing such bid, the contractor shall, before bids are open, make known the fact and in such case the bid shall be returned unopened.

To the extent that anything in this policy could be construed to conflict with applicable state and/or federal laws, the applicable state and/or federal laws control. This policy is not intended to conflict with charter requirements.



OLD

BOARD OF TRUSTEES POLICY
No. 610
Section: Finances
Title: Purchase Subject to Bid
Date Adopted: February 5, 2001

Section 1. Purpose: It is the policy of the Board to obtain competitive bids for products and services where such bids are required by law or where such bids may be believed to bring about a cost saving to the CAYBCS.

Section 2. Authority: Bidding and purchase acquisitions procedures shall be according to State law and regulations and will conform to the requirements of the Crispus Attucks Association.

Section 3. Responsibility: Bid specifications shall be prepared by the CAO or his/her designee. The Secretary is authorized to advertise for bids in accordance with statutory procedures without prior approval of the Board, but shall inform the Board of such action at the meeting next following. Records shall be kept in sufficient detail to show that reasonable number of qualified vendors were invited to bid. Bids shall be opened publicly by the Secretary before one or more witnesses at a previously designated time and place. Contracts shall be awarded to the lowest responsible bidder, meeting specifications, upon resolution of the Board, unless the Board chooses to reject all bids. The Board also recognizes that emergencies may occur when imminent danger exists to persons or property or the continuance of existing school classes is threatened, and time for bidding vsnnoy br provided because of the need for immediate action.

Whenever a contractor shall submit a bid for the performance of work and the contractor later claims a mistake, error, or omission in preparing said bid, the contractpr shall, before the bids are open, make known the fact and in such case the bid shall be returned unopened.

Crispus Attucks Charter School

PURCHASES BUDGETED POLICY NO. 611

Adopted: February 5, 2001

Revised: April 25, 2022

Purpose: It is the policy of the Board that when funds are available, all purchases contemplated within the current budget and not subject to bid be made in a manner that insures the best interests of the School.

Authority: All purchases that are within budgetary limits and as approved by the Board of Trustees may be made upon authorization of the CEO.

All purchase order requests must be referred to the CEO or to his/her designee who shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might already be available. Bidding and purchase acquisition shall be according to existing State law and regulation. Effort will be made to acquire materials of acceptable quality at a low price.

Guidelines: In the interests of economy, fairness and efficiency in its business dealings, the Board requires that:

- A. Items commonly used in the school be standardized whenever possible.
- B. Opportunity be provided to as many responsible suppliers as possible to do business with the school.
- C. No purchase shall be honored unless made on the approved requisition form.
- D. Upon placement of the purchase order the Business Manager shall encumber the expenditure against a specific budget line item to guard against the creation of liabilities in excess of appropriations.
- E. The Board recognizes its position as a major purchaser in the community. While it is the intention of the Board to purchase materials and supplies of quality at the lowest possible cost through widespread competition, if all other considerations are equal, the Board prefers to purchase from local merchants.

To the extent that anything in this policy could be construed to conflict with applicable state and/or federal laws, the applicable state and/or federal laws control. This policy is not intended to conflict with charter requirements.



OLD

BOARD OF TRUSTEES POLICY
No. 611
Section: Finances
Title: Purchases Budgeted
Date Adopted: February 5, 2001

Section 1. Purpose: It is the policy of the Board that when funds are available all purchases contemplated within the current budget and not subject to bid be made in a manner that ensures the best interests of the School.

Section 2. Authority: All purchases that are within budgetary limits and were originally contemplated with the budget may be made upon authorization of the CAO.

All purchase order requests must be referred to the CAO and/or his/her designee who shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the School. Bidding and purchase acquisition procedures shall be according to existing State law and regulation. Effort will be made to acquire materials of acceptable quality at a low price.

Section 3. Guidelines: In the interests of economy, fairness and efficiency in its business dealings, the Board requires that:

- A. items commonly used in the school be standardized whenever possible.
- B. Opportunity be provided to as many responsible suppliers as possible to do business with the School. Lists of potential suppliers for various types of supplies, equipment and services will be developed and maintained.
- C. No purchase request will be honored unless made on a Crispus Attucks Association approved requisition form that has the necessary approval.
- D. Upon the placement of a purchase order, the Crispus Attucks Association Business Manager shall encumber the expenditure against a specific budget line item to guard against the creation of liabilities in excess of appropriations.
- E. The Board recognizes its position as a major purchaser in this community, and while it is the intention of the Board to purchase materials and supplies of quality at the lowest possible cost through widespread competition, if all other considerations are equal, the Board prefers to purchase within the District from established local merchants.

Crispus Attucks Charter School

PURCHASES EXCEED AMOUNT BUDGETED OR NOT BUDGETED POLICY NO. 612

Adopted: February 5, 2001

Revised: April 25, 2022

Purpose: The laws of the Commonwealth and the interests of the community require fiscal responsibility of the Board.

Authority: When funds are not available for a proposed appropriation, a legal transfer from one function to another may be made in the last nine months of the fiscal year by the Board if it is apparent that the necessary surplus funds do exist in other function(s) and if the procedures specified in School Code are followed.

Guidelines: Under normal conditions, planned purchases that would exceed the amount appropriated may be approved by the CEO following the Board's normal policy provided a sufficient amount is available in another budgeted line item(s) for transfer.

Non-budgeted items may have purchase orders written only after approval by the CEO with assurance of sufficient funds in another budget line item(s) to be transferred and with timely notification to the Board of the procedures.

To the extent that anything in this policy could be construed to conflict with applicable state and/or federal laws, the applicable state and/or federal laws control. This policy is not intended to conflict with charter requirements.



OLD

BOARD OF TRUSTEES POLICY

No. 612

Section: Finances

Title: Purchases that Exceed Budgeted
Amount and/or Purchases Not Budgeted

Date Adopted: February 5, 2001

Section 1. Purpose: The laws of the Commonwealth and the interests of the community require fiscal responsibility by the Board in the operation of the School. Appropriate fiscal controls are appropriations provided this School.

Section 2. Authority: When funds are not available for a proposed appropriation, a legal transfer from one functions to another may be made in the last nine months of the fiscal year by the Board if it is apparent that the necessary surplus funds do exist in another function and if the procedures specified in the School Code are followed.

Section 3. Guidelines: Under normal conditions, planned purchases that would exceed the amount appropriated may be approved by the CAO following the Board's normal policy (B.P. 610) Provided a sufficient amount is available in some other category of the budget for transfer by the Board to cover the purchase.

Non-budgeted items may have purchase orders written only after approval by the CAO with assurance of sufficient funds in the appropriate category or funds able to be transferred from other categories and with timely notification to the Board of such procedures.



BOARD OF TRUSTEES POLICY
No. 613
Section: Finances
Title: Cooperative Purchasing
Date Adopted: February 5, 2001

Section 1. Purpose: The Board recognizes the advantages of centralized purchasing. The Board, therefore, encourages the administration to seek advantages in savings that may accrue to this District through joint agreements for the purchase of supplies, equipment or services with other political subdivisions and the Commonwealth of Pennsylvania.

Section 2. Responsibility: The Board authorizes the CAO or his/her designee to negotiate such cooperative purchase agreements for services, supplies and equipment with other political subdivisions as may be appropriate in accordance with law and the policies of this Board.

All such agreements must conform to regulations provided in the School Code.



BOARD OF TRUSTEES POLICY
No. 614
Title: Payroll Deductions
Date Adopted: February 5, 2001

Section 1. Purpose: The Board may at its discretion act on behalf of individual employees to deduct a certain amount from the employee's paycheck and remit an equal amount to an agent designated by the employee. It is the purpose of this policy to designate those purposes not otherwise mandated by law for which the Board is willing to act on behalf of the employee.

Section 2. Authority: No deduction may be made from the wages of employee except for federal income tax, social security, State income tax and School Employees' Retirement Fund without proper authorization by the employee.

Section 3. Responsibility: The Board authorizes deductions from an employee's paycheck upon proper authorization on the appropriate District form for the following purposes:

- A. Tax Sheltered Annuities deducted to be remitted to an approved provider.
- B. Local earned income tax deductions to be remitted to earned income tax collector for local government agencies where employee lives.
- C. Purchase of additional service time deductions to be remitted to School Employee's Retirement Fund.
- D. Hospital/Dental care
- E. Blue Cross/Blue Shield
- F. United Way
- G. Occupational Privilege Tax
- H. Other deductions as authorized by the CAO.



CRISPUS ATTUCKS CHARTER SCHOOL

BOARD OF TRUSTEES POLICY

No. 615

Section: Finances

Title: Payment of Claims

Date Adopted: February 5, 2001

Section 1. Purpose: It is the purpose of the Board to effect the prompt payment of bills, but at the same time to ensure that due care has been taken in the review of such bills.

Section 2. Authority: Each bill or obligation of this Board must be fully itemized, verified and passed upon by the Board before a check can be drawn for its payment, except that the Secretary is permitted to draw payment orders for items the prompt payment of which will accrue to the advantage of the School, progress payments to contractors as specified in a contract approved by the Board, or orders to cover approved payrolls, agency account deposits, or for items that require immediate payment.

Section 3. Responsibility: It shall be the responsibility of the CAO or his/her designee upon receipt of an invoice to verify that the purchase invoice is in order, the goods were received in acceptable condition or services were satisfactorily rendered, funds are available to cover the payment, the item is one for which the Board budgeted, and the invoice is for the amount contracted.

Should the invoice vary from the acknowledged purchase order, the CAO or his/her designee shall document on the invoice the reason for such variance.

Should funds not be available in the account to which a proposed purchase will be charged, the CAO shall determine the overage and request the Board make a legal transfer to cover it.

All claims for payment shall be submitted to the Board in the form of a listing including check number, to whom paid, amount of remittance, and reason for remittance. The check listing shall be placed in the official minutes of the Board.

The School is exempt from sales tax on the purchase of tangible personal property or services which are sold or used by the School. The sales tax exemption number issued by the Department of Revenue is used by the School to effect certain controls with respect to the use of this number in compliance with the Department of Revenue's regulations. This exemption number will be used when buying property or services for use by the School.

The school shall obtain a sales tax license number for school organizations who purchase items to be resold.

In order to monitor these activities, the CAO or his/her designee shall develop procedures to assure the coordination and accumulation of information and proper reporting and remittance to the Department of Revenue.

Prior to the Board's consideration of the bills for payment each invoice shall be available to each Board member for review.

All checks approved by the Board shall be executed in a manner approved by the Board.

No check shall be made out to cash.



BOARD OF TRUSTEES POLICY

No. 618

Section: Finances

Title: Special Purpose Funds- Cafeteria

Date Adopted: February 5, 2001

Section 1. Purpose: It is the purpose of this policy to establish financial supervision and controls for the operation of the Cafeteria funds.

Section 2. Authority: The cafeteria funds are a separate, proprietary fund of the School and shall be supervised by the CAO or his/her designee.

Section 3. Guidelines:

- A. The cafeteria fund is to be a self-sustaining, non-profit fund,
- B. All checks must be signed by the Board Secretary/Business Manager.
- C. All funds shall be deposited and invested in an FDIC insured account.
- D. Purchasing of food and other materials shall be done in accordance with economic business practices and proper student nutrition being primary goals.



BOARD OF TRUSTEES POLICY
No. 619
Section: Finances
Title: District Audit – Public
Date Adopted: February 5, 2001

The Board recognizes the importance of the right of the public to have access to the public records of the CAYBCS. This includes public financial records. The public has the right under law to inspect and procure copies of the annual audit (B.P. 006) conducted by the School's auditors, and the audit conducted by the Commonwealth's auditor general's office.

The Board also recognizes its obligation as an elected body to represent the best interests of all of its constituents. Therefore the Board will make the results of both the School's auditor's audit and the audit or general's audit available to the public at the business office of the School (B.P. 006).

The Board believes that the two available audits provide adequate safeguards for the public interest. Therefore, special audits by special interest groups are not permitted.

The Board recognizes that certain areas of information will not be made available to the public, such as personnel records, students records, labor relations, property acquisition negotiation information, records regarding actions of a criminal justice nature, and other records not considered public records.

Revised 6/26/17

Crispus Attucks Charter School

FEDERAL FISCAL COMPLIANCE POLICY no. 626

Adopted: August 22, 2016

Revised:

The Board of Trustees (the "Board") of the Crispus Attucks Charter School ("Charter School") shall ensure federal funds received by the Charter School are administered in accordance with federal requirements, including but not limited to the federal Uniform Grant Guidance.

The Board shall review and approve all applications for federal funds submitted by the Charter School.

The Board designates the Business Manager as the Charter School contact for all federal programs and funding.

The Chief Executive Officer ("CEO") or his/her designee, in collaboration with the Federal Programs Coordinator and Business Manager, shall establish and maintain a sound financial management system to include internal controls and federal grant management standards covering the receipt of both direct and state-administered federal grants, and to track costs and expenditures of funds associated with grant awards.

The Charter School's financial management system shall be designed with strong internal controls, a high level of transparency and accountability, and documented procedures to ensure that all financial management system requirements are met. Financial management standards and procedures shall assure that the following responsibilities are fulfilled:

Identification – the Charter School must identify, in its accounts, all federal awards received and expended, and the federal programs under which they were received.

Financial Reporting – Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the financial reporting requirements of the Education Department General Administrative Regulations ("EDGAR").

Accounting Records – the Charter School must maintain records which adequately identify the source and application of funds provided for federally-assisted activities.

Internal Controls – Effective control and accountability must be maintained for all funds, real and personal property and other assets. The Charter School must adequately safeguard all such property and must assure that it is used solely for authorized purposes. Charter School will follow Internal controls designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations;
- Adequate safeguarding of property;
- Assurance property and money is spent in accordance with grant program and to further the Selected objectives; and
- Compliance with applicable laws and regulations.

Budget Control – Actual expenditures or outlays must be compared with budgeted amounts for each federal award. Procedures shall be developed to establish determination for allowability of costs for federal funds.

Cash Management – The Charter School shall maintain written procedures to implement the cash management requirements found in EDGAR. See Attachment 1.

Allowability of Costs – The Charter School shall ensure that allowability of all costs charged to each federal award is accurately determined and documented. See Attachments 2 and 3.

Standards of Conduct

The Charter School shall maintain standards of conduct covering conflicts of interest and the actions of employees and school officials engaged in the selection, award and administration of contracts.

All employees shall be informed of conduct that is required for federal fiscal compliance and the disciplinary actions that may be applied for violation of Board policies, administrative regulations, rules and procedures.

Employees - Time and Effort Reporting

All Charter School employees paid with federal funds shall document the time they expend in work performed in support of each federal program, in accordance with law. Time and effort reporting requirements do not apply to contracted individuals.

Charter School employees shall be reimbursed for travel costs incurred in the course of performing services related to official business as a federal grant recipient.

The Charter School shall establish and maintain employee policies on hiring, benefits and leave and outside activities, as approved by the Board.

Record Keeping

The Charter School shall maintain a Records Management Plan and related Board policy and administrative regulations for the retention, retrieval and disposition of manual and electronic records, including emails.

The Charter School shall ensure the proper maintenance of federal fiscal records documenting:

- a. Amount of federal funds.
- b. How funds are used.
- c. Total cost of each project.
- d. Share of total cost of each project provided from other sources.
- e. Other records to facilitate an effective audit.
- f. Other records to show compliance with federal program requirements.
- g. Significant project experiences and results.
- h. All records must be retrievable and available for programmatic or financial audit.

The Charter School shall provide the federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, the right of access to any documents, papers, or other Charter School records which are pertinent to the federal award. The Charter School shall also permit timely and reasonable access to the Charter School's personnel for the purpose of interview and discussion related to such documents.

Records shall be retained for a minimum of five (5) years from the date on which the final Financial Status Report is submitted, or as otherwise specified in the requirements of the federal award, unless a written extension is provided by the awarding agency, cognizant agency for audit, oversight agency for audit or cognizant agency for indirect costs.

If any litigation, claim or audit is started before the expiration of the standard record retention period, the records shall be retained until all litigation, claims or audits have been resolved and final action taken.

As part of the Records Management Plan, the Charter School shall maintain a records retention schedule, which shall delineate the record retention format, retention period and method of disposal.

The Records Management Plan shall include identification of staff authorized to access records, appropriate training, and preservation measures to protect the integrity of records and data.

The Charter School shall ensure that all personally identifiable data protected by law or regulations is handled in accordance with the requirements of applicable law, regulations, Board policy and administrative regulations.

Subrecipient Monitoring

In the event that the Charter School awards subgrants, the Charter School shall establish procedures to:

- a. Assess the risk of noncompliance.
- b. Monitor grant subrecipients to ensure compliance with federal, state, and local laws and Board policy and procedures.
- c. Ensure the Charter School's record retention schedule addresses document retention on assessment and monitoring.

Compliance Violations

Employees and contractors involved in federally funded programs and subrecipients shall be made aware that failure to comply with federal law, regulations or terms and conditions of a federal award may result in the federal awarding agency or pass-through entity imposing additional conditions or terminating the award in whole or in part.

Crispus Attucks Charter School

FEDERAL FISCAL COMPLIANCE POLICY no. 626

Adopted: August 22, 2016

Revised: June 26, 2017

The Board of Trustees (the "Board") of the Crispus Attucks Charter School ("Charter School") shall ensure federal funds received by the Charter School are administered in accordance with federal requirements, including but not limited to the federal Uniform Grant Guidance.

The Board shall review and approve all applications for federal funds submitted by the Charter School.

The Board designates the Business Manager as the Charter School contact for all federal programs and funding.

The Chief Executive Officer ("CEO") or his/her designee, in collaboration with the Federal Programs Coordinator and Business Manager, shall establish and maintain a sound financial management system to include internal controls and federal grant management standards covering the receipt of both direct and state-administered federal grants, and to track costs and expenditures of funds associated with grant awards.

The Charter School's financial management system shall be designed with strong internal controls, a high level of transparency and accountability, and documented procedures to ensure that all financial management system requirements are met. Financial management standards and procedures shall assure that the following responsibilities are fulfilled:

Identification - the Charter School must identify, in its accounts, all federal awards received and expended, and the federal programs under which they were received.

Financial Reporting - Accurate, current, and complete disclosure of the financial results of each federal award or program must be made in accordance with the financial reporting requirements of the Education Department General Administrative Regulations ("EDGAR").

Accounting Records - the Charter School must maintain records which adequately identify the source and application of funds provided for federally-assisted activities.

Internal Controls – Effective control and accountability must be maintained for all funds, real and personal property and other assets. The Charter School must adequately safeguard all such property and must assure that it is used solely for authorized purposes. Charter School will follow Internal controls designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations;
- Adequate safeguarding of property;
- Assurance property and money is spent in accordance with grant program and to further the Selected objectives; and
- Compliance with applicable laws and regulations.

Budget Control – Actual expenditures or outlays must be compared with budgeted amounts for each federal award. Procedures shall be developed to establish determination for allowability of costs for federal funds.

Cash Management – The Charter School shall maintain written procedures to implement the cash management requirements found in EDGAR. See Attachment 1.

Allowability of Costs – The Charter School shall ensure that allowability of all costs charged to each federal award is accurately determined and documented. See Attachments 2 and 3.

Procurement – The Charter School shall maintain written procedures to implement the procurement requirements found in UGG. See Attachment 4.

Standards of Conduct

The Charter School shall maintain standards of conduct covering conflicts of interest and the actions of employees and school officials engaged in the selection, award and administration of contracts.

All employees shall be informed of conduct that is required for federal fiscal compliance and the disciplinary actions that may be applied for violation of Board policies, administrative regulations, rules and procedures.

Employees - Time and Effort Reporting

All Charter School employees paid with federal funds shall document the time they expend in work performed in support of each federal program, in accordance with law. Time and effort reporting requirements do not apply to contracted individuals.

Charter School employees shall be reimbursed for travel costs incurred in the course of performing services related to official business as a federal grant recipient.

The Charter School shall establish and maintain employee policies on hiring, benefits and leave and outside activities, as approved by the Board.

Record Keeping

The Charter School shall maintain a Records Management Plan and related Board policy and administrative regulations for the retention, retrieval and disposition of manual and electronic records, including emails.

The Charter School shall ensure the proper maintenance of federal fiscal records documenting:

- a. Amount of federal funds.
- b. How funds are used.
- c. Total cost of each project.
- d. Share of total cost of each project provided from other sources.
- e. Other records to facilitate an effective audit.
- f. Other records to show compliance with federal program requirements.
- g. Significant project experiences and results.
- h. All records must be retrievable and available for programmatic or financial audit.

The Charter School shall provide the federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, the right of access to any documents, papers, or other Charter School records which are pertinent to the federal award. The Charter School shall also permit timely and reasonable access to the Charter School's personnel for the purpose of interview and discussion related to such documents.

Records shall be retained for a minimum of five (5) years from the date on which the final Financial Status Report is submitted, or as otherwise specified in the requirements of the federal award, unless a written extension is provided by the awarding agency, cognizant agency for audit, oversight agency for audit or cognizant agency for indirect costs.

If any litigation, claim or audit is started before the expiration of the standard record retention period, the records shall be retained until all litigation, claims or audits have been resolved and final action taken.

As part of the Records Management Plan, the Charter School shall maintain a records retention schedule, which shall delineate the record retention format, retention period and method of disposal.

The Records Management Plan shall include identification of staff authorized to access records, appropriate training, and preservation measures to protect the integrity of records and data.

The Charter School shall ensure that all personally identifiable data protected by law or regulations is handled in accordance with the requirements of applicable law, regulations, Board policy and administrative regulations.

Subrecipient Monitoring

In the event that the Charter School awards subgrants, the Charter School shall establish procedures to:

- a. Assess the risk of noncompliance.
- b. Monitor grant subrecipients to ensure compliance with federal, state, and local laws and Board policy and procedures.
- c. Ensure the Charter School's record retention schedule addresses document retention on assessment and monitoring.

Compliance Violations

Employees and contractors involved in federally funded programs and subrecipients shall be made aware that failure to comply with federal law, regulations or terms and conditions of a federal award may result in the federal awarding agency or pass-through entity imposing additional conditions or terminating the award in whole or in part.

Administration of Federal Funds – Type of Costs, Obligations and Property Management

The Crispus Attucks Charter School (“Charter School”) establishes and maintains Board policies, administrative regulations and procedures on administration of federal funds in federal programs as required by the Uniform Grant Guidance and other federal, state and local laws, regulations and requirements. The Charter School’s financial management system includes internal controls and grant management standards in the following areas.

Direct and Indirect Costs

Direct costs – costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

Indirect costs – costs incurred for a common or joint purpose benefiting more than one (1) cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. (2 CFR Sec. 200.405, 200.413)

Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs. 2 C.F.R. § 200.413(c).

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs.

Direct and indirect costs shall be determined in accordance with law, regulations, the terms and conditions of the federal award, and the Charter School’s negotiated indirect cost rate.

The Charter School shall develop an indirect cost rate proposal and cost allocation plan in accordance with law, regulations and the terms and conditions of the federal award.

Timely Obligation of Funds

Obligations – orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the Charter School during the same or a future period.

All obligations must occur between the beginning and ending dates of the federal award project, which is known as the period of performance. The period of performance is dictated by law and regulations and will be indicated in the federal award. Specific requirements for carryover funds may be specified in the federal award and must be adhered to by the Charter School. (2 CFR Sec. 200.77, 200.309)

The Charter School will handle obligations and carryover of state-administered and direct grants in accordance with state and federal law and regulations, and the terms and conditions of the federal award. Carryover will be calculated and documented by the Business Manager.

The Charter School may exercise an extension of the period of performance under a direct grant in accordance with law, regulations and the terms and conditions of the federal award when written notice is provided to the federal awarding agency at least ten (10) calendar days prior to the end of the period of performance. (2 CFR Sec. 200.308(d)(2))

The Chief Executive Officer (“CEO”) along with the Business Manager will decide when an extension of the period of performance is necessary and will recommend that the Board approve this process.

The CEO along with the Business Manager will develop the required written notice, including the reasons for the extension and revised period of performance; the notice will be issued no later than ten (10) calendar days prior to the end of the currently documented period of performance in the federal award.

The Charter School must seek approval from the federal awarding agency for an extension of the period of performance when the extension is not contrary to federal law or regulations, and the following conditions apply:

- a. The terms and conditions of the federal award prohibit the extension;
- b. The extension requires additional federal funds; or
- c. The extension involves any change in the approved objectives or scope of the project. (2 CFR Sec. §200.308)

The CEO along with the Business Manager will determine when an extension must be requested for approval by the federal awarding agency, draft the written request and notify the Board of the requested extension.

Management of Property Acquired With Federal Funds

Contract and Purchasing Administration -

The Charter School maintains internal controls, administrative regulations and procedures to ensure that contractors deliver goods and services in accordance with the terms, conditions and specifications of the designated contract, purchase order or requisition.

Property Classifications -

Property shall be classified as equipment, supplies, computing devices and capital assets as defined and specified in accordance with law, regulations and Board policy.

Inventory Control/Management -

All property purchased with federal funds, regardless of cost, will be inventoried as a safeguard.

Inventory will be received by the department or program requesting the item; designated staff will inspect the property, compare it to the applicable purchase order or requisition, and ensure it is appropriately logged and tagged in the Charter School's property management system.

Items acquired will be physically labeled by source of funding and acquisition date.

Inventory records of equipment and computing devices must be current and available for review and audit, and include the following information:

- a. Description of the item, including any manufacturer's model number.
- b. Manufacturer's serial number or other identification number.
- c. Identification of funding source.
- d. Acquisition date and unit cost.
- e. Source of items, such as company name.
- f. Percentage of federal funds used in the purchase.
- g. Present location, use, condition of item, and date information was reported.
- h. Pertinent information on the ultimate transfer, replacement or disposition of the item and sale price of the property.

Inventory will be updated as items are sold, lost or stolen, or cannot be repaired, and new items are purchased.

Physical Inventory -

Physical inventory of property will be completed by designated Charter School staff in accordance with applicable federal and state law and regulation and Board policy.

The physical inventory of items will be conducted annually, and the results will be reconciled with the inventory records and reported to the federal awarding agency.

Maintenance -

The Charter School establishes adequate maintenance procedures to ensure that property is maintained in good condition in accordance with law, regulation and Board policy.

Safeguards -

The Charter School ensures that adequate safeguards are in place to prevent loss, damage or theft of property:

- a. Any loss, damage or theft will be reported to the CEO and investigated and fully documented, and may be reported to local law enforcement.
- b. If stolen items are not recovered, the Charter School will submit copies of the investigative report and insurance claim to the federal awarding agency.
- c. The Charter School may be responsible for replacing or repairing lost, damaged, destroyed or stolen items.
- d. Replaced equipment is property of the originally funded program and should be inventoried accordingly.
- e. Charter School property may only be loaned in accordance with Board policy and administrative regulations.

Disposition of Property Acquired with Federal Funds –

When the Charter School determines that equipment or supplies acquired under a federal award are no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Principal will contact the federal awarding agency or pass-through entity administering the program to obtain disposition instructions, based on the fair market value of the equipment or supplies.

Generally, items with a fair market value of \$5,000 or less that are no longer effective may be retained, sold, purged, or transferred to the Charter School. For items with a fair market value greater than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

If the Charter School will be replacing the equipment or supplies, the Charter School may use the existing equipment or supplies as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

The Business Manager will be responsible for contacting the federal awarding agency and determining the process for disposition of equipment or supplies.

The Charter School may use the following methods in disposing of unnecessary equipment or supplies acquired with federal funds:

- a. Public auction and/or online sale – generally conducted by a licensed auctioneer.
- b. Salvage – scrap sold to local dealers.
- c. Negotiated sale – normally used when disposing of items of substantial value.
- d. Sealed bid – normally used for items of substantial value or unique qualities.
- e. Pre-priced sale – large quantities of obsolete or surplus equipment or supplies may be sold by this method.
- f. Donation to charitable organizations, for equipment or supplies with little to no value.
- g. Disposition to trash for equipment or supplies with no value.

The Business Manager will be responsible for maintaining records of obsolete and surplus property disposed of, and will report to the federal awarding agency when required.

Allowability of Costs – Federal Programs

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the state.

Delegation of Responsibility

When determining how the Crispus Attucks Charter School (“Charter School”) will spend its grant funds, the Business Manager will review the proposed cost to determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service.

Allowability Determinations

All costs supported by federal education funds must meet the standards outlined in Education Department General Administrative Regulations (“EDGAR”), 2 CFR Part 3474 and 2 CFR Part 200, Subpart E. The Business Manager must consider these factors when making an allowability determination.

Part 200 sets forth general cost guidelines that must be considered, as well as rules for specific types of items, both of which must be considered when determining whether a cost is an allowable expenditure of federal funds. The expenditure must also be allowable under the applicable program statute (e.g., Title I of the Elementary and Secondary Education Act (ESEA), or the Carl D. Perkins Career and Technical Education Act (Perkins)), along with accompanying program regulations, nonregulatory guidance and grant award notifications.

Restrictions in state and local rules or policy also must be considered. Whichever allowability requirements are stricter will govern whether a cost is allowable.

General allowability determination factors include the following:

1. Be Necessary and Reasonable for the performance of the federal award. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the Charter School or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as sound business practices; arm's-length bargaining; federal, state and other laws and regulations; and terms and conditions of the federal award.
- Market prices for comparable goods or services for the geographic area.
- Whether the individual incurring the cost acted with prudence in the circumstances considering responsibilities to the Charter School, its employees, its students, the public at large, and the federal government.
- Whether the Charter School significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost. (2 CFR Sec. 200.404)

Whether a cost is **necessary** will be determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the Charter School can demonstrate that the cost addresses an existing need, and can prove it.

When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the federal award program.
 - Whether the cost is identified in the approved budget or application.
 - Whether there is an educational benefit associated with the cost.
 - Whether the cost aligns with identified needs based on results and findings from a needs assessment.
 - Whether the cost addresses program goals and objectives and is based on program data.
2. Allocable to the federal award. A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal

grant program derived a benefit in proportion to the funds charged to the program. (2 CFR Sec. 200.405)

3. Consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the school entity.
4. Conform to any limitations or exclusions set forth as cost principles in Part 200 of the applicable Federal Regulations or in the terms and conditions of the federal award.
5. Consistent treatment. A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.
6. Adequately documented. All expenditures must be properly documented.
7. Be calculated in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in Part 200.
8. Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the nonfederal entity to contribute a certain amount of nonfederal resources to be eligible for the federal program.
9. Be the net of all applicable credits. The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the state relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate. (2 CFR Sec. 200.406)

Selected Items of Cost

Charter School personnel responsible for spending federal grant funds and for determining allowability must be familiar with and refer to the Part 200 selected items of cost section. These rules must be followed when charging these specific expenditures to a federal grant. When applicable, employees must check costs against the selected items of cost requirements to ensure the cost is allowable, and also check state, Charter School and program-specific rules. In addition, State, Charter School and program-specific rules may deem a cost as unallowable and Charter School must follow those non-federal rules as well.

Likewise, it is possible for the State and/or the Charter School to put additional requirements on a specific item of cost. Under such circumstances, the stricter requirements must be met for a cost to be allowable. Accordingly, employees must consult federal, State and Charter School requirements when spending federal funds. For example, often the State's travel rules are more restrictive than federal rules, which means the State's policies must be followed.

Any questions related to specific costs should be forwarded to the Business Manager who shall consult with the school solicitor for clarification as appropriate.

Cash Management – Federal Programs

The Crispus Attucks Charter School (“Charter School”) receives payment from the Pennsylvania Department of Education (PDE) on a reimbursement basis. The Charter School may receive an advance of federal grant funds. The Charter School shall maintain accounting methods and internal controls and procedures consistent with that assure those responsibilities under such federal grant programs are met.

Payment Methods

Reimbursements -

The Charter School will initially charge federal grant expenditures to nonfederal funds. The Business Manager will request reimbursement for actual expenditures incurred under the federal grants weekly.

Such requests shall be submitted with appropriate documentation and signed by the requestor. Requests for reimbursements will be approved by the Business Manager. Reimbursement will be submitted on the appropriate form to the PDE portal. All reimbursements are based on actual disbursements, not on obligations. PDE will process reimbursement requests within the timeframes required for disbursement. Consistent with state and federal requirements, the Charter School will maintain source documentation supporting the federal expenditures (invoices, time sheets, payroll stubs, etc.) and will make such documentation available for PDE to review upon request. Reimbursements of actual expenditures do not involve interest calculations.

Advances -

When the Charter School receives advance payments of federal grant funds, it must minimize the time elapsing between the transfer of funds to the Charter School and the expenditure of those funds on allowable costs of the applicable federal program. (2 CFR Sec. 200.305(b)) The Charter School shall attempt to expend all advances of federal funds within seventy-two (72) hours of receipt.

When applicable, the Charter School shall use existing resources available within a program before requesting additional advances. Such resources include program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds. (2 CFR Sec. 305(b)(5))

The Charter School shall hold federal advance payments in insured, interest-bearing accounts.

The Charter School is permitted to retain for administrative expense up to \$500 per year of interest earned on federal grant cash balances. Regardless of the federal awarding agency, interest earnings exceeding \$500 per year shall be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. (2 CFR Sec. 200.305(b)(9))

Consistent with state guidelines, interest accruing on total federal grant cash balances shall be calculated on cash balances per grant and applying the actual or average interest rate earned. Remittance of interest shall be responsibility of the Business Manager.

Adopted: May 22, 2017

Revised: December 9, 2021

Note: Districts may continue to comply with the procurement standards in previous federal guidance for two (2) additional fiscal years following the implementation of the new Uniform Grant Guidance (effective December 26, 2014). If the district chooses to use the previous procurement standards, the district must document this decision in their internal procurement policies and procedures. Procurement standards for Food Service programs shall follow the requirements set forth by the USDA and PDE's Division of Food and Nutrition.

Procurement – Federal Programs

This document is intended to integrate standard district purchasing procedures with additional requirements applicable to procurements that are subject to the federal Uniform Grant Guidance regulations and/or U.S. Department of Agriculture (USDA) regulations governing school food service programs. The district maintains the following purchasing procedures, in accordance with federal and state laws, regulations and Board policy. (2 CFR 200.318-200.325; 7 CFR 210.16, 210.19, 210.21, 215.14a, 220.16; 24 P.S. 120, 24 P.S. 504, 24 P.S. 508, 24 P.S. 521, 24 P.S. 607, 24 P.S. 609, 24 P.S. 751, 24 P.S. 807.1; 62 Pa. C.S.A. 4601 et seq; Pol. 610, 611, 612, 613, 808)

Responsibility for Purchasing

The Board has outlined standard district purchasing responsibility, methods of purchasing, price quotations and bid requirements in the following Board policies and their accompanying administrative regulations or procedures:

- Policy 610. Purchases Subject to Bid/Quotation
- Policy 611. Purchases Budgeted
- Policy 612. Purchases Not Budgeted
- Policy 613. Cooperative Purchasing

Purchase Methods

When a request for purchase of equipment, supplies or services has been submitted and approved as outlined below, the procurement method to be used will be determined based on the total cost of the purchase as further outlined below. This procedure outlines how the cost thresholds for determining when the quote or formal bidding procedures that are required by state law as reflected in Policy 610 must be modified when making purchases for federally funded purposes to which the Uniform Grant Guidance or USDA regulations apply, so as to comply with both state and federal requirements. At each point where requirements for food service-related procurement under USDA regulations differ, a note will refer to the Food Service Program Notes at the end of this procedure. Final determination of which purchasing procedures are to be applied is delegated to the

{ } Business Manager

{ } CEO

under the authority of the Board.

Standard Procurement Documents and Purchase Request Process

The district shall use

{ } purchase orders

{ } requisitions

for purchase requests in accordance with the applicable purchase method.

The district shall use

{ } paper

{ } electronic

purchasing records, which are pre-numbered and are accessible to designated purchasing staff in

{ } the district office.

{ } the Business Office.

{ } Purchasing agent's office.

{ } Other _____.

Purchase requests by an employee must be submitted to the building administrator or immediate supervisor. Purchase of all budgeted items or items approved by an administrator or supervisor must be initiated by use of a purchase order or requisition submitted to the

{ } Board Secretary.

{ } Business Manager.

{ } Superintendent.

{ } Purchasing Agent.

Purchase orders and requisitions shall contain information including, but not limited to:

1. Description of the services to be performed or goods to be delivered.

2. Location of where services will be performed or goods will be delivered.
3. Appropriate dates of service or delivery.
4. { } Other (describe) _____.

Documentation on purchase orders and requisitions shall be maintained in accordance with the district's Records Management Policy and records retention schedule. (Pol. 800)

Contracts shall be reviewed by the

- { } Board Secretary
- { } Business Manager
- { } Superintendent
- { } school solicitor

prior to submission to the Board for approval.

Contracts to which the Uniform Grant Guidance apply shall contain the clauses specified in Appendix II to 2 CFR Part 200 (Contract Provisions for Non-Federal Entity Contracts Under Federal Awards), when applicable.

[See Food Service Program Notes below for specific clauses required by USDA regulations to be included in cost reimbursable procurement contracts.]

Micro-Purchases Not Requiring Quotes or Bidding (up to \$10,000)

For purposes of this procedure, **micro-purchase** means a purchase of equipment, supplies or services for use in federally funded programs using simplified acquisition procedures, the aggregate amount of which does not exceed a base amount of \$10,000. The micro-purchase dollar threshold is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$10,000.(48 CFR Subpart 2.1)

Note: The micro-purchase maximum for federal purposes is lower than the amount below which the School Code allows purchase for nonfederal purposes to be made without obtaining at least three (3) written or telephonic quotes or using formal competitive bidding.

The micro-purchase method is used in order to expedite the completion of its lowest dollar small purchase transactions and minimize the associated administrative burden and cost. Procurement by micro-purchase is the acquisition of equipment, supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold.

To the extent practicable, the district distributes micro-purchases equitably among qualified suppliers when the same or materially interchangeable products are identified and such suppliers offer effectively equivalent rates, prices and other terms. The

{ } Superintendent

{ } Business Manager

{ } Purchasing Agent

{ } Board Secretary

will be responsible to determine the equitable distribution of micro-purchases.

Micro-purchases may be awarded without soliciting competitive quotations if the district considers the price to be reasonable. The district will maintain evidence of this reasonableness in the records of all micro-purchases. **Reasonable** means that sound business practices were followed and the purchase is comparable to market prices for the geographic area. Such determinations of reasonableness may include comparison of the price to previous purchases of the same item or comparison of the price of items similar to the item being purchased.

Even if the cost of a purchase qualifies it as a micro-purchase, bidding or small purchase procedures may be used optionally when those procedures may result in cost savings.

Small Purchase Procedures (between \$10,000 and \$21,300)

For purposes of this procedure, **small purchase procedures** are those relatively simple and informal procurement methods for securing equipment, services, or supplies that cost more than the amount qualifying as a micro-purchase and do not cost \$21,300 or more. Small purchase procedures cannot be used for purchases of equipment or supplies or for construction, repair or maintenance services costing \$21,300 or more because the School Code requires formal competitive bidding at that level of cost.

The base amount at which bidding is required under state law is adjusted for inflation annually, and the amount most recently established and published in the Pennsylvania Bulletin shall apply if other than \$21,300. (24 P.S. Sec. 120)

Because state law does not require bidding for the purchase of services other than construction, maintenance or repairs on school facilities regardless of total cost, small purchase procedures, including a request for proposal (RFP) procedure, may be used for procurement of such other services except when the estimated total cost will be at or over the federal threshold at which formal competitive bidding is required (\$250,000).

[See Food Service Program Notes below for exemption from bidding for purchases of perishable food items costing less than \$250,000.]

If small purchase procedures are used, written or telephonic price or rate quotations are obtained from at least three (3) qualified sources and records of quotes are maintained as provided in Policy 610. (Pol. 610)

Formal Competitive Bidding (\$21,300 or more)

Publicly Solicited Sealed Competitive Bids:

For purchases of equipment or supplies, or of services for construction, maintenance or repairs of school facilities, sealed competitive bids are publicly solicited and awarded to the lowest responsive and responsible bidder as provided in Policy 610 when the total cost is estimated to be \$21,300 or more. (Pol. 610)

Note: The amount at which formal competitive bidding is required by federal regulations is much higher than the base amount at which the School Code requires competitive bidding. Therefore, the lower base amount specified by the School Code, as annually adjusted, is used to determine when bidding will be used for purchases of equipment or supplies, or for obtaining services for construction, maintenance or repairs on school facilities. (24 P.S. Sec. 120)

State law does not require bidding for the purchase of services other than construction, maintenance or repairs on school facilities regardless of total cost. For procurement of such other services for federally funded purposes to which the Uniform Grant Guidance applies, formal competitive bidding will be used when the estimated total cost will be at or over the federal threshold of \$250,000.

The federal competitive bidding dollar threshold is adjusted periodically by the federal government, and the threshold most recently established and published in the Federal Register shall apply if other than \$250,000. (48 CFR Subpart 2.1)

Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound documented reason.

[See Food Service Program Notes below for reference to state requirements regarding contracts with food service management companies and contractors of pre-plated meals.]

Competitive Proposals

State law does not require public school entities to solicit competitive bids for services other than construction, repairs or maintenance of school facilities, for which competitive bidding is required if the cost will be a base amount of \$21,300 or more. State law allows competitive proposals relating to work on facilities in lieu of bidding only in the context of guaranteed energy savings contracts.

Federal regulations allow the use of competitive proposals as an alternative when formal bidding would otherwise be required only to procure architectural and engineering services. Other types of services for federally funded purposes to which the Uniform Grant Guidance applies, professional or otherwise, must be procured using competitive bidding when the cost would meet or exceed the federal threshold for competitive bidding (\$250,000).

In the case of services other than for construction, repairs or maintenance of school facilities costing less than that threshold, the district may use small purchase procedures or micro-purchase procedures as applicable based on total cost. A request for proposal (RFP) process can also meet or exceed the small purchase competition requirements under state law and Policy 610 for the acquisition of services other than for construction, repairs or maintenance of school facilities, and can be used if the total cost will be less than \$250,000.

When permitted, the technique of competitive proposals is normally conducted with more than one (1) source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The district shall comply with other applicable state and federal law and regulations, Board policy and administrative regulations regarding purchasing; the district may consult with the school solicitor or other qualified counsel in determining the required process for purchasing through competitive proposals when necessary.

If this method is used, the following requirements apply:

1. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical.
2. Proposals must be solicited from an adequate number of qualified sources.
3. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Competitive proposals shall be evaluated by the

{ } Superintendent

{ } Business Manager

{ } Federal Programs Coordinator

based on factors including but not limited to:

1. Cost.

{ } Experience of contractor.

- { } Availability.
- { } Personnel qualifications.
- { } Financial stability.
- { } Minority business, women’s business enterprise, or labor surplus area firm status.
- { } Project management expertise.
- { } Understanding of district needs.
- { } Other _____.

Evaluations shall be completed in a timely manner, documented and shall be reviewed by the

- { } Board.
- { } Superintendent.
- { } Business Manager.
- { } Federal Programs Coordinator.
- { } school solicitor.

Contract/Price Analysis:

The district performs a cost or price analysis in connection with every procurement action in excess of \$250,000, including contract modifications. (2 CFR Sec. 200.323(a)).

A **cost analysis** generally means evaluating the separate cost elements that make up the total price, while a **price analysis** means evaluating the total price, without looking at the individual cost elements.

The method and degree of analysis is dependent on the facts surrounding the particular procurement situation; however, the

- { } CEO
- { } Business Manager
- { } Federal Programs Coordinator

must come to an independent estimate prior to receiving bids or proposals. (2 CFR Sec. 200.323(a)). As part of the analysis, the _____ will enact established business practices which may include evaluation of similar prior procurements and a review process.

When performing a cost analysis, the

{ } Superintendent

{ } Business Manager

{ } Federal Programs Coordinator

negotiates profit as a separate element of the price. To establish a fair and reasonable profit, consideration is given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. (2 CFR Sec. 200.323(b)).

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals means procurement through solicitation of a proposal from only one (1) source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source.
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation. An **emergency** exists whenever the time required for the Board to act in accordance with regular procedures would endanger life or property or threaten continuance of existing school classes.
3. The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the district.
4. After solicitation of a number of sources, the district determines the competition is inadequate.

In addition to standard procurement policy and procedures, the district will document the grounds for using the noncompetitive method in lieu of an otherwise required competitive method of procurement, which may include written confirmation from the contractor as the sole source of the item. Documentation must be submitted to and maintained by the Business Office.

All noncompetitive proposals will ultimately be approved by the Board. The district may utilize legal advice from the solicitor regarding noncompetitive proposals.

A cost or price analysis will be performed for noncompetitive proposals when the price exceeds \$150,000.

Purchase Cards

The district approves the use of procurement cards for permissible purchases by designated employees to improve the efficiency of purchasing activities, reduce processing expenses, improve controls for small-dollar purchases, and streamline contractor payment.

Procurement cards may be used for purchases under federal programs. The use of procurement cards is governed by Board policy 625 Procurement Cards and established administrative regulations. (Pol. 625)

Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with 2 CFR Sec. 200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business.
2. Requiring unnecessary experience and excessive bonding.
3. Noncompetitive pricing practices between firms or between affiliated companies.
4. Noncompetitive contracts to consultants that are on retainer contracts.
5. Organizational conflicts of interest.
6. Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement.
7. Any arbitrary action in the procurement process.

EDGAR further requires the following to ensure adequate competition.

Minority Businesses, Women's Business Enterprises, Labor Surplus Area Firms

The district must take necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include: (2 CFR Sec. 200.321)

1. Placing qualified small and minority business and women's business enterprises on solicitation lists.
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
3. Dividing total purchasing requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business and women's business enterprises.
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises.
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
6. Requiring the prime contractor, if subcontracts are let, to take the affirmative steps listed above.

Geographical Preferences Prohibited

The district must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

[See Food Service Program Notes below for permissibility of geographic preferences and "Buy American" practices in purchasing certain food products]

Prequalified Lists

The district must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the district must not preclude potential bidders from qualifying during the solicitation period.

[See Food Service Program Notes below for reference to state requirements regarding contracts with food service management companies and contractors of pre-plated meals.]

Solicitation Language

The district must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

Avoiding Acquisition of Unnecessary or Duplicative Items

The district must avoid the acquisition of unnecessary or duplicative items. Additionally, consideration must be given to consolidating or breaking out procurements to obtain a more economical purchase; and, where appropriate, an analysis must be made of leases versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

These considerations are given as part of the process to determine the allowability of each purchase made with federal funds. Such considerations are accessible in the procedure attached to Policy 626: Allowability of Costs – Federal Programs.

Use of Intergovernmental Agreements and Cooperative Purchasing

To foster greater economy and efficiency, the district enters into state and local intergovernmental agreements where appropriate for cooperative purchasing or use of common or shared goods and services, as permitted by the Intergovernmental Cooperation Act and the Commonwealth Procurement Code. (Pol. 613; 53 Pa. C.S. Ch. 23; 62 Pa. C.S. Ch. 19)

When procuring supplies or services for federally funded purposes to which the Uniform Grant Guidance applies, the district shall verify that the organization conducting the procurement pursuant to such agreements complies with the applicable requirements and standards of the Uniform Grant Guidance as outlined in this procedure.

Use of Federal Excess and Surplus Property

The district considers the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

Debarment and Suspension

The district awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

[See Food Service Program Notes below for reference to state requirements regarding contracts with food service management companies and contractors of pre-plated meals.]

The district may not subcontract with or award subgrants to any person or company who is debarred or suspended. For all contracts over \$25,000 the district verifies that the contractor with whom the district intends to do business is not excluded or disqualified. (2 CFR Part 200, Appendix II, and 2 CFR Sec. 180.220 and 180.300).

All successful contractors must provide written certification that they have not been suspended or debarred from federal projects. The

{ } Business Manager

{ } Federal Programs Coordinator

will be responsible for verification. Such verification may include accessing the online federal System for Award Management (SAM) to determine whether any relevant party is subject to any suspension or debarment restrictions.

Maintenance of Procurement Records

The district must maintain records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and verification that the contractor is not suspended or debarred.

Maintenance of records of procurement will be governed by Board policy 800 Records Management and established administrative regulations. (Pol. 800)

Time and Materials Contracts

The district may use a time and materials type contract only: (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. **Time and materials type contract** means a contract whose cost to the district is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the district must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Settlements of Issues Arising Out of Procurements

The district alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the district of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

Protest Procedures to Resolve Dispute

The district maintains protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency. Protest procedures will be acted on in accordance with current state law and regulations, established district administrative regulations and the advice of the solicitor. (Pol. 610)

Food Service Program Notes:

Exemption from Bidding for Perishable Food Items -

The School Code exempts purchases of perishable food items from bidding requirements. Bidding for perishable food items is required only if the cost would be at or over the federal threshold at which formal competitive bidding is required (\$250,000). Small purchase procedures may be used for purchases below \$250,000, or micro-purchase procedures for purchases below \$10,000. Use of bidding should be considered as an option if it is feasible and likely to result in cost savings.(24 P.S. Sec. 504(d))

Geographic Preferences -

The district is permitted to apply a geographic preference when procuring unprocessed locally grown or locally raised agricultural products. When a geographic preference is applied, the district has discretion to determine the local area to which the geographic preference option will be applied.

Unprocessed locally grown or locally raised agricultural products means only those agricultural products that retain their inherent character. The effects of the following food handling and preservation techniques shall not be considered as changing an agricultural product into a product of a different kind or character: cooling; refrigerating; freezing; size adjustment made by peeling, slicing, dicing, cutting, chopping, shucking, and grinding; forming ground products into patties without any additives or fillers; drying/dehydration; washing; packaging (such as placing eggs in cartons), vacuum packing and bagging (such as placing vegetables in bags or combining two (2) or more types of vegetables or fruits in a single package); the addition of ascorbic acid or other preservatives to prevent oxidation of produce; butchering livestock and poultry; cleaning fish; and the pasteurization of milk. (7 CFR Sec. 210.21, 215.14a, 220.16)

Buy American -

The district shall purchase, to the maximum extent practicable, domestic commodities or products for food service purposes. The term **domestic commodity or product** means: (7 CFR Sec. 210.21, 220.16)

1. An agricultural commodity that is produced in the United States; and
2. A food product that is processed in the United States substantially using agricultural commodities that are produced in the United States.

Mandatory Contract Clauses -

The following provisions shall be included in all cost reimbursable contracts for food services purchases, including contracts with cost reimbursable provisions, and in solicitation documents prepared to obtain offers for such contracts: (7 CFR Sec. 210.21, 215.14a, 220.16)

1. Allowable costs will be paid from the nonprofit school food service account to the contractor net of all discounts, rebates and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the school food authority;
2. (a) The contractor must separately identify for each cost submitted for payment to the school food authority the amount of that cost that is allowable (can be paid from the nonprofit school food service account) and the amount that is unallowable (cannot be paid from the nonprofit school food service account); or

- (b) The contractor must exclude all unallowable costs from its billing documents and certify that only allowable costs are submitted for payment and records have been established that maintain the visibility of unallowable costs, including directly associated costs in a manner suitable for contract cost determination and verification;
3. The contractor's determination of its allowable costs must be made in compliance with the applicable departmental and program regulations and Office of Management and Budget cost circulars;
 4. The contractor must identify the amount of each discount, rebate and other applicable credit on bills and invoices presented to the school food authority for payment and individually identify the amount as a discount, rebate, or in the case of other applicable credits, the nature of the credit. If approved by the state agency, the school food authority may permit the contractor to report this information on a less frequent basis than monthly, but no less frequently than annually;
 5. The contractor must identify the method by which it will report discounts, rebates and other applicable credits allocable to the contract that are not reported prior to conclusion of the contract; and
 6. The contractor must maintain documentation of costs and discounts, rebates and other applicable credits, and must furnish such documentation upon request to the school food authority, the state agency, or the department.

Contracts with Food Service Management Companies -

Procedures for selecting and contracting with a food service management company (FSMC) shall comply with guidance provided by the Pennsylvania Department of Education, Division of Food and Nutrition, including standard forms, procedures and timelines for solicitation, selection and approval of proposals and contracts. (7 CFR Sec. 210.16, 210.19, 210.21, 215.14a, 220.16)

Pre-Plated Meals -

Procedures for selecting and contracting with contractors of pre-plated meals shall comply with guidance provided by the Pennsylvania Department of Education, Division of Food and Nutrition, including standard forms, procedures and timelines for solicitation, selection and approval of proposals and contracts. (7 CFR Sec. 210.16, 210.19, 210.21, 220.16)

Crispus Attucks Charter School

INTERNAL CONTROLS POLICY no. 626.1

Adopted: August 22, 2016

Revised:

Internal controls are designed to safeguard assets and help to detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. Although the size of the Crispus Attucks Charter School ("Charter School") accounting staff prohibits complete adherence to this concept, implementing the following practices will improve existing internal control without impairing efficiency.

Internal controls are hereby adopted in the following areas:

- **CASH RECEIPTS**
- **PETTY CASH**
- **CHECK ISSUANCE AND CASH DISBURSEMENTS**
- **ACCOUNTING SYSTEM**
- **INSURANCE COVERAGE**
- **EXPENSE REPORTS**
- **FINANCES**
- **BUDGET**
- **PURCHASES OF GOODS & SERVICES**
- **STAFFING AND HIRING**
- **PAYROLL**
- **CREDIT, DEBIT AND/OR CHARGE CARDS**
- **SCHOOL PROPERTY RECORDS**
- **ADDITIONAL MISCELLANEOUS ITEMS**

CASH RECEIPTS

An employee who is not responsible for accounting functions, such as the secretary or administrative assistant, shall open all incoming mail. In addition, this individual shall be responsible for:

1. Recording the cash receipts.
2. Preparing the daily bank deposit.
3. Forwarding the cash receipts listing (along with remittance advice) to the Charter School's accounting staff ("Business Manager").

Once the Charter School's Business Manager has received the cash receipts listing, he/she will be responsible for posting incoming cash receipts to the general ledger and detail customer accounts. The Charter School's Business Manager shall also be

responsible for posting cash receipts for monies received for student lunches and all student activities such as summer school, etc.

In addition, the Business Manager shall be responsible for depositing cash receipts intact on a weekly basis.

PETTY CASH

One petty cash fund shall be used instead of multiple miscellaneous cash accounts. Disbursements from the petty cash fund shall be controlled in the same manner as disbursements from the checking account.

To provide for proper control and recording of petty cash, an "imprest system" shall be established. An imprest system is an account set up to make change or pay small obligations for which the issuance of a formal voucher and check would be too expensive and/or time consuming. Imprest accounts derive their name from the fact that the account balance is maintained at a fixed level by regular reimbursement for the exact amount of the disbursements.

Under such a system, the amount of cash in the petty cash fund shall be adequate to handle all petty cash transactions for a short period of time, but the balance shall not exceed \$500.

Formal petty cash vouchers are to be used for all working fund disbursements. Such vouchers shall be properly approved and supported and shall be signed and dated by the payee. The maximum amount for individual fund disbursements shall be \$100.

The petty cash fund shall be reimbursed periodically with a check made payable to the petty cash custodian (the CEO or his/her designee). Proper expense accounts shall be charged as reimbursements are made. In addition, the CEO along with the Board of Trustees ("Board") shall set restrictions concerning the type and amount of transactions that can be handled through the petty cash fund. All disbursements are to be approved by an authorized person (one or more Board members and/or the CEO), and supported by petty cash vouchers indicating the proper account distribution. To prevent possible reuse, petty cash vouchers and supportive documents shall be cancelled by stamping "PAID."

CHECK ISSUANCE AND CASH DISBURSEMENTS

When paying bills, the Charter School's Business Manager shall:

- Indicate on the invoice that the checking of prices and cash discounts are correct by initialing such.
- Cancel invoices by attaching a copy of the check stub to the invoice.

- Have the persons signing the check (Board members, CEO) initial the invoice to indicate review of the invoice. Two signatures are required for all checks above the amount approved by the Board for CEO signature alone. These two signatures shall consist of the CEO or designee, if applicable, and an authorized Board Trustee.
- Signed checks shall be handed over to the secretary and/or administrative assistant to be mailed out. Such checks are to be mailed without allowing them to be returned to the employee(s) responsible for accounts payable.

The CEO may not authorize purchases or sign checks for items greater than \$500 that are not included in the school's annual, board approved budget.

The CEO may authorize purchases and sign checks for items that are captured in the school's annual, board approved budget up to \$5,000. Items above \$5,000 require two signatures and prior board approval, with the following exceptions:

- Health and Liability insurance payments
- Food Services purchases

The CEO may engage in contracts for services or goods that are captured in the school's annual, board approved budget up to \$10,000 with a term of one year or less. Contracts above \$10,000, or with a term of more than one year, require prior board approval.

ACCOUNTING SYSTEMS

No transaction shall be posted to a prior year or prior month by Charter School's Business Manager nor shall any transaction be changed or deleted by the Business Manager. If deemed necessary, the Charter School's accounting firm with prior Board approval shall make such adjustments. Controls within accounting systems shall be modified to prevent such changes.

FIDELITY INSURANCE COVERAGE

Any employee who handles cash (either its receipt or disbursement) or who holds a position of financial trust must have fidelity bond insurance coverage. The adequacy of such coverage shall be subject to Board review with the Charter School's insurance agent on an annual basis at a minimum.

EXPENSE REPORTS

All seminars and/or professional development courses are subject to prior approval by the CEO and/or Board of Trustees. The Charter School shall reimburse the employee for fees incurred as related to:

- conference fees
- hotel lodging
- travel to and from the conference
- meals (subject to a maximum reimbursement of \$35 per day)

Upon returning from such seminars/training, if an employee wishes to be reimbursed for the types of expenses mentioned above, he/she must submit a Charter School Expense Report (with attached receipts) to the CEO. The expense report shall include any and all amounts paid by the Charter School along with any out-of-pocket employee expenses that are to be reimbursed by the Charter School. If the amount of the cash advanced exceeds the total allowable expenses, the employee shall owe the Charter School the difference. If the total allowable expenses exceed the amount advanced, the employee shall be owed the difference.

FINANCES

Public monies expended by the Charter School shall be utilized for the furtherance of pupil education in a manner that will ensure full value to the taxpayers and that adequate constraints and records are established to ensure that end.

The CEO has the authority and responsibility, in conjunction with the Board, to prepare the budget. The Board has the authority and responsibility to approve the budget, the bids, and pass a resolution authorizing the expenditures of the Charter School.

The Board requires the CEO to establish sound accounting procedures based upon State and Federal recommended accounting procedures and upon the recommendation of the local, state, and federal auditors and to institute effective business practices and recommend suitable accounting equipment, where necessary.

In accordance with State law, the Board will authorize an annual audit by an independent auditor.

BUDGET

The budget shall be designed to reflect the Charter School's objectives for the education of the students. Therefore, it must be organized and planned to ensure adequate understanding of the financial needs associated with program implementation, support and development. This necessitates a continuous review of the financial requirements of the Charter School's programs.

The Board considers the preparation of an annual budget to be one of its most important responsibilities because the budget is the financial reflection of the education plan for the Charter School. The budget shall be designed to carry out that plan in a thorough and efficient manner and to maintain the facilities and honor the obligations of the Charter School.

The Board recognizes its obligation to the taxpayers to approve only those expenses reasonably required to provide an educational program suitable to the needs and goals of the Charter School and its students.

The annual budget proposal, once formulated, represents the position of the Board and will be available in draft form prior to its adoption. Adoption of the budget, after due deliberation and public comment, will take place at the Charter School's June Public Board Meeting.

Each member of the Board and each administrator shall be thoroughly familiar with and understand the need for each of the proposed expenditures so that they can answer any questions directed to them.

PURCHASES OF GOODS & SERVICES

When funds are available, all purchases contemplated within the current budget and not subject to bid are to be made in a manner that ensures the best interest of the Charter School.

The Board shall advertise and obtain competitive bids for products and services where such bids are required by law or where such bids may be believed to bring about a cost saving to the Charter School.

The Charter School shall solicit bids from and shall award contracts to or consent to subcontracting only with "responsible bidders" as that term is defined by law. Bidders, contractors, or affiliates may be disqualified, suspended or debarred if they are deemed "not responsible" in order to protect the Charter School and the public's interest in accordance with the standards and procedures adopted by the Charter School and any other applicable law. The CEO shall maintain records of all persons disqualified. The Charter School is required by law to award contracts to the lowest responsible bidder.

All construction, reconstruction, repairs, maintenance or work of any nature upon the Charter School building or property in excess of \$19,400.00 shall be conducted through proper public announcement, receipt of valid formal bids, and award as provided by Board Policy and Procedures, including obtaining Board approval in advance. Projects exceeding \$19,400.00 may not be partitioned to avoid these requirements.

Written or telephonic price quotations from at least three (3) qualified and responsible contractors shall be requested by the Board for all contracts that exceed \$10,500.00 or, in lieu of price quotations, a memorandum shall be kept on file showing that fewer than three (3) qualified contractors exist in the market area within which it is practicable to obtain quotations. A written record shall be made of these quotations and shall contain the date of the quotation; name of contractor; contractor's representative; and the construction, reconstruction, repair, maintenance or work of the quotation. The written

price quotations, records or telephonic price quotations and memoranda shall be kept on file for a period of three (3) years.

Any construction, reconstruction, repairs or work of any nature, where the entire cost or value, including labor and material, is less than 5,000.00 may be performed by the Charter School's own maintenance personnel.

Bid specifications shall be approved by the Board before being published.

The bid specifications shall combine like items of supply and material whenever it is feasible, and permissible under statute, and not split purchases to avoid requirements for bidding.

The Board recognizes that emergencies may occur when imminent danger exists to persons or property or the continuance of existing Charter School classes are threatened, and time for bidding cannot be provided because of the need for immediate action in accordance with the Pennsylvania School Code. Such emergency must be declared by the Board and stated by resolution at an emergency meeting that does not require public notice pursuant to the Sunshine Act.

Whenever a contractor shall submit a bid for the performance of work and the contractor later claims a mistake, error or omission in preparing said bid, the contractor shall, before the bids are open, make known the fact and in such case the bid shall be returned unopened and the contractor may submit a revised bid proposal at the discretion of the Charter School or the contractor may lose the right to bid if circumstances as determined by the Board require.

Bids shall be opened by the Board Secretary and/or an appointed Board Member at the next regularly scheduled Board Meeting after the closing date of the bids. The Board shall accept the bid of the lowest responsible bidder, kind, quality, and material being equal, but shall have the right to reject any and all bids, or select a single item from any bid.

There are exceptions to contracts or purchases that do not require advertising, bidding or price quotations and are set forth at 16 Pa.C.S.A. sec. 1802(h) and include but are not limited to professional service contracts involving professional expertise (i. e., medical, legal, architects, engineers, CPAs) and specifically those involving construction management services.

STAFFING AND HIRING

The Board has the sole authority and responsibility to create new/additional staff positions. Approved job descriptions will clearly state any restriction as to candidate eligibility for those positions for which the description requires extensive work with financial, personnel and other such highly confidential Charter School information. Relatives of current Board members, current staff and parents of current students would

not be permitted to apply for such positions. This restriction serves to prevent potential conflicts of interest pursuant to the Board's approved Conflict of Interest Policy and Employee Conflict of Interest Policy, both of which apply to employees of the School. The CEO, in collaboration with the Board of Trustees, has the authority to establish salaries and approve candidates for hire.

The hiring procedures outlined below must be followed in order to appoint candidates to any position at the Charter School. The primary goal in the employment process is to fill vacancies with the most qualified candidates available. In this pursuit, the Charter School will adhere to the principles of Equal Employment Opportunity. The Charter School is an equal opportunity employer dedicated to the goal of building a culturally diverse and pluralistic faculty and staff committed to teaching and working in a multicultural environment and strongly encourages applications from women, minorities, individuals with disabilities and covered veterans."

To assure careful selection and orientation of new staff into the community, the Board promotes an open and collaborative process to facilitate the hiring of all Charter School personnel. Instructional staff is required to hold PA State certification or be in the process of obtaining certification within one (1) year of hire. It is required that middle school teachers and support staff have secondary certification or equivalent experience working with this population.

All non-instructional and administrative staff are expected to participate in and obtain certification or ongoing professional development related to their area of responsibility.

1) The first step in the hiring process is notice to the Board of Trustees of a position opening.

2) Recommendations to create a new position must be submitted to the Board of Trustees and approved prior to the start of the search for an employee to fill the position.

This recommendation will include:

- Rationale, needs assessment
- Required qualifications and selection criteria
- Job description
- Proposed salary range/rates, determined by the required position qualifications and established salary scales/range
- Job posting

3) A file of current job posting ads will be maintained and will include narrative versions for Internet/website use, and abbreviated versions for print advertising.

Job postings will include:

- position title

- salary or salary range
- brief description of the duties
- minimum qualifications
- name and address to which to send applications
- last day for filing applications
- Equal Employment Opportunity Statement
- Restrictions, if any, regarding eligibility of relatives of current Board members, current staff or parents of current students to apply

And require applicants to provide:

- letter of interest
 - copies of Certifications, as applicable
 - resume
 - three references
 - transcripts, as applicable
 - standard application (PDE)
 - Act 34 and 151 clearances and FBI clearances where applicable
- 4) A job posting (ad) for open positions will be published:
- a) Internally
 - Notice by email of an open position to all current staff
 - Posting on the Charter School website
 - b) Externally
 - Internet - K-12 Jobs, PASBO and PSBA when applicable (leadership positions)
 - Print Publications – 2 local newspapers PSBA when applicable (leadership positions)
- 5) A file folder for each open position will be created and contain:
- Job description
 - Job posting
 - Resumes, cover letters, applications, clearances and certifications of qualified candidates
- 6) A file of submitted resumes for various positions will be maintained and rotated out on an annual basis.
- 7) Current staff and recommendations of candidates by current staff will be given consideration.

Screening/Interview/Selection:

- 1) Resumes/applications will be initially screened, reviewed by, interviewed and selected by the appropriate interview team members based on the following criteria:

- a) Selection of the CEO shall be made by the entire Board with input from administration, staff, and parents based on criteria developed through a collaborative process.
 - b) Selection of Leadership level positions shall be made by a using a collaborative process that includes the CEO, Board members and representatives of the staff group with whom they will be working.
 - c) Selection of teaching, custodial or office staff shall be made using a collaborative process involving the CEO, applicable leadership, and representatives of the staff group with whom they will be working.
- 2) Devise standard selection questions that are not biased against: gender, race, religion, sexual orientation, disability, familial status, color, citizenship status, national origin, creed, veteran status or any other factor protected by law and use the same questions and selection criteria for all candidates.
 - 3) Screen resumes for minimum entrance requirements; resumes may be accepted as supplements to the "application," but not as a substitute for the "application."
 - 4) Select candidates for interview, and send a letter to candidates not selected for interview.
 - 5) Notify successful candidates of selection for interview, schedule interviews, and then interview those candidates.
 - 6) Select candidates for final (or second) interviews.
 - 7) Perform and document reference checks; develop a consistent process and set of questions for checking references.
 - 8) Conduct final interviews.
 - 9) Solicit written remarks from those that met with or interviewed candidates. A rating form can be developed for this purpose.
 - 10) Select final candidate.
 - 11) Ensure that telephone calls (and/or emails) are made to all finalists not selected as soon as the candidate selected has accepted the position offer.

Follow-up will be made with a formal letter.

Approval:

- 1) When a conditional offer has been made, selected candidate(s) and their credentials will be presented to the Board for review and final approval.
- 2) For all positions, prior approval from the Board must be obtained before a conditional offer of employment is extended where any exceptions are to be made to normal hiring practices (as related to salary, flexible hours, vacation, etc.).
- 3) Upon verbal acceptance of the conditional offer of employment, a written offer of employment will be sent to the candidate.

This offer letter will include:

- Job title
- Monthly or hourly salary
- Hours
- Benefit eligibility
- Status (salaried or hourly)
- Statement of conditional offer pending final board approval
- Vacation and holiday information
- Employment at will
- Start date
- Employee Handbook

Hiring:

- 1) The following information will be collected for a Personnel folder for each individual. Include a paperwork checklist to the inside front of the folder.

This confidential file will include:

- Resume
 - Application
 - Offer letter
 - Attendance records
 - Job description
 - Employee Handbook confirmation
 - Payroll deduction forms
 - Human Resources documents
 - Emergency contact information
 - Birth Certificate
 - ACT 34 and 151 Clearances
 - Professional Certifications
 - Parking information
- 2) On the first day of employment or, at the latest, during the first week of

employment, the employee must meet with the Business Manager. The employee will also receive a copy of the job description during this time.

The employee will be required to submit the following documentation:

- Employee Handbook confirmation
- Emergency contact information
- W-4 or W-4A tax withholding form
- I-9 employment eligibility form
- Self-identification form – protected status
- PSERS (retirement) forms
- Birth certificate
- Basic and optional life insurance enrollment form or waiver
- Health insurance enrollment form or waiver
- Parking information – make model car, license plate number
- Workers' compensation notification
- Credit union enrollment (optional)
- 403 B annuity/deferred compensation enrollment form (optional)
- Section 125 ("Cafeteria Plan") benefit waiver if applicable (optional)
- Payroll automatic deposit forms (optional)

Probation/Orientation/Mentoring:

1) During the ninety (90) day probationary period all permanent/temporary staff members will be introduced to Charter School norms/culture. Orientation, staff development, mentoring, and continuous support will be designed and provided appropriate to individual needs.

2) Criteria for applicable and appropriate orientation, staff development, mentoring, and continuous support for each position will be developed through the use of a collaborative process.

3) At the end of the ninety (90) day probationary period all permanent/temporary staff will receive a written performance evaluation.

Terminations/Separations:

1) No employee may be terminated without prior approval of the Board.

2) Prior consultation with the Board Solicitor or his/her designee shall be required in instances of involuntary termination.

3) Upon the separation of an individual, whether voluntary or involuntary, notice will be given immediately to the Network Tech Specialist, Business Manager, and Facilities Manager in order to initiate separation and security procedures.

4) Any Charter School property issued including, but not limited to, items such as computer equipment, credit cards, keys, petty cash, and instructional materials

must be returned to the Charter School at the time of termination or the last day of work. The departing employee will be responsible for any lost or damaged items. The value of any property issued and not returned will be deducted from the last paycheck. The departing employee may be required to sign a wage deduction authorization form for this purpose.

5) The Charter School does not respond to oral requests for or provide "to whom it may concern" reference letters, as these letters can be easily misused. In the event of termination, either voluntarily or involuntarily, the CEO may be able to provide a reference to specific potential employers only if a signed release form has been received.

Exit Interviews:

1) Whenever possible, in cases of voluntary terminations, the Charter School shall interview the departing employee on or just prior to his/her last day of work. This interview will serve to ascertain the employee's forwarding address, to sign off on retirement and/or insurance conversions, and to obtain further details on the employee's reasons for leaving. The written results of the interview shall be placed in the employee's personnel file.

PAYROLL

Employment of all permanent, temporary, and part-time Charter School personnel must be approved by the Board. Authorization to pay follows therefrom.

Actions by the Board to employ or re-employ on a contractual basis (i.e., for a fixed period of time) shall include the name of the individual, the position title, the period of employment and whether such employment is "at will."

Actions by the Board to employ temporary or part-time personnel (i.e., by the hour or day) shall include the name of the individual, the position title and the rate of pay.

Daily sign-in and sign-out procedures adequate to meet wage and hour requirements and Board policy are required of all employees. Salary or wages may be withheld for unapproved time off in accordance with Board policy by the CEO to the extent permitted by applicable law.

The Board of Trustees shall provide for the preparation, maintenance and revision of a position classification plan and of a pay plan for all Charter School employees.

The salary guide of the Charter School shall provide for the determination of beginning salaries for all employees by classification. Classification shall include:

- (a) Administrative;

- (b) Instructional -- including teachers, counselor, nurse, psychologist, therapists (speech, occupational/physical therapist, etc.), specialist teacher;
- (c) Instructional support staff - including teacher support assistant, classroom aides, etc.; and
- (d) Operational support staff -- including secretaries, office clerks, etc.

Salary increments for all employees shall be based on employee performance and may include variable percentage or fixed increases as determined by the Board of Trustees. The Board shall, at the earliest possible date, adopt and publish a pay plan for all employees.

CREDIT/DEBIT CARDS

The Board recognizes the value of an efficient method of payment and recordkeeping for certain expenses. The Board, therefore, authorizes the use of credit cards and debit cards (referred to collectively as "Credit Cards." A separate Credit Card/Debit Card Policy is approved by the Board and available for review at the Charter School.) The authorization, handling and use of credit cards have been established to provide a convenient and efficient means to purchase goods and services from vendors.

Although the cards are issued in the Charter School employee's name, they are considered School property and should be used with good judgment.

Credit cards shall not be used in order to circumvent the general purchasing procedures established by Pennsylvania State law and Board policy. The Board affirms that credit cards shall only be used in connection with Board-approved or Charter School-related activities and that only those types of expenses that are for the benefit of the Charter School and serve a valid and proper purpose shall be paid for by credit card.

Under no circumstances shall credit cards be used for personal purchases. The credit card is for business related purchases only and personal charges are not to be made to the card. Purchases are limited to meals, refreshments, travel, small supplies and other Charter School-related items.

The cardholder is the only person entitled to use the card and is responsible for all charges made against the card. Improper use of the card can be considered a misappropriation of Charter School funds. Inappropriate or illegal use of the credit card may result in a loss of credit card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

All charges are billed directly to and paid directly by the Charter School. Therefore, any personal charges on the credit card could be considered misappropriation of Charter School funds since the cardholder cannot pay the bank directly.

Credit cardholders are expected to comply with internal control procedures in order to protect Charter School assets. This includes keeping receipts, coding transaction to the appropriate general ledger code, reviewing the transaction for propriety, reconciling monthly statements and following proper card security measures. Cardholders are responsible for reconciling their monthly statement and resolving any discrepancies by contacting the supplier first and then the bank.

The CEO shall annually submit for Board approval the position titles authorized to use the Charter School credit card(s) in conducting Charter School business.

SCHOOL PROPERTY RECORDS

In order to ensure accountability for the prudent use of public funds, the Board of Trustees directs that a property accounting and inventory system be established and maintained for all Charter School real and personal property as defined herein.

- 1) Real property shall consist of all land and buildings acquired by the Charter School in the course of its operations.
- 2) Charter School personal property shall consist of furniture and equipment items with a purchase price in excess of \$500.00. All furniture or equipment items of lesser value shall be placed in use without being recorded on personal property inventory records.
- 3) The Charter School's property records of consumable supplies and materials shall be maintained on a continuous inventory basis.

The CEO shall be responsible for the design and implementation of the Charter School's real and personal property inventory control system. Such inventories shall be maintained on a current basis and shall be verified by annual physical inventories. A system of property records shall show, as appropriate to the item recorded:

- a. description and identification;
- b. manufacturer;
- c. year of purchase;
- d. initial cost;
- e. location;
- f. condition; and
- g. depreciation and current valuation in conformity with insurance requirements.

The CEO shall be responsible for the design and implementation of a system for maintaining all the Charter School's consumable supplies and materials including books and computer software. Inventory balances shall be verified by periodic, unannounced spot checks to determine loss, mislocation or depreciation and any major loss shall be reported to the Board.

This delegation carries with it the delegation of whatever authority is necessary for the successful implementation of an effective inventory control system at the Charter School.

None of the Charter School's personal property or equipment shall be removed for personal or non-Charter School use, except in accordance with Board policy.

Unneeded surplus, unusable, and/or obsolete property can consume valuable storage space. It is the Board's intention to quickly and efficiently dispose of such property, thus avoiding future unnecessary handling and storage.

When it has been determined that any property is obsolete or unneeded surplus and should be exchanged for other property, the Board of Trustees authorizes that such property may be sold or exchanged in accordance with any of the following provisions:

- a) The property is no longer required for its originally intended purpose.
- b) The property is considered out of date, obsolete, or in unusable condition.
- c) The property is in quantities exceeding any possibility of effective use by the Charter School.

If any staff member identifies property that is unused, obsolete or surplus, that member is to notify the Charter School's CEO of such property. It is the CEO's responsibility to create a list of such property and provide this list to the Board.

Determination as to whether any of the State criteria apply to property possessed by the Charter School shall be made by the CEO who may delegate this responsibility provided that all requirements of this policy are met. As necessary, the CEO or his/her designee may call upon other staff personnel to develop criteria to aid in this identification.

School property owned by the Charter School which is unusable, obsolete, surplus to need, has been replaced, or is otherwise no longer of value to the Charter School will be listed and presented to the Board with a recommendation for disposition. The Board is vested with the final authority to approve any disposition.

Items of some value may be disposed of in the following ways:

- a) Public auction generally conducted by a licensed auctioneer;
- b) Salvage scrap sold to local dealers;
- c) Negotiated sale normally used when disposing of items or property of substantial value;
- d) Sealed bid normally used for items of substantial value or unique qualities;
- e) Pre-priced sale large quantities of obsolete or surplus furniture and equipment may be sold by this method;
- f) Some items have no sale value or disposal exceeds the net worth; These items may be donated to charitable organizations or otherwise discarded;
- g) Offered to the general public at a predetermined price.

Equipment being replaced may be traded in on new equipment as part of the purchase procedure.

Charter School employees, officers, directors, etc. may not receive or accept abandoned or disposed of property. Charter School employees, officers, directors, etc. may submit sealed bids or purchase pre-priced items, as long as the person had nothing to do with the bid process or pricing and must recuse themselves from any decisions regarding disposition of the items.

No property that has been acquired by, or conveyed or granted to the Charter School shall be considered as abandoned by it unless and until the Board has passed, by vote of the majority of members of the Board, a resolution declaring it to be the intention of the Charter School to vacate and abandon same, whereupon all rights, title, and interest of the Charter School in such property shall be fully terminated.

The disposition of the Charter School real estate shall be handled at the discretion of the Board in accordance with applicable state and federal laws, including applicable sections of the Public School Code of 1949 and any applicable sections of the PA Municipalities Planning Code.

ADDITIONAL MISCELLANEOUS ITEMS

The CEO or his/her designee (the designee must be someone other than the employee maintaining cash records) is responsible for opening bank statements, canceled checks, and appropriate advances. The CEO, designee, or other responsible Board member(s) shall periodically review such items, before turning them over for reconciliation. Unusual items noted during the review shall be investigated promptly.

The CEO, other responsible Board member(s), or a representative from the Charter School's accounting firm shall approve journal entries.

The CEO or designee is responsible for implementing additional procedures where necessary to ensure proper internal controls.

Crispus Attucks Charter School

TRAVEL EXPENSE REIMBURSEMENT POLICY no. 626.2

Adopted: August 22, 2016

Revised:

The Board of Trustees (the "Board") of the Crispus Attucks Charter School ("Charter School") recognizes the need to establish policies and procedures governing the reimbursement of travel and other reasonable and proper expenses incurred by employees in the performance of official and necessary Charter School business. Additionally, the Board sees the need to establish procedures for the reimbursement of travel expenses for necessary Charter School-related business and activities.

1. AUTHORIZATION AND APPROVAL OF TRAVEL AND REIMBURSEMENTS

The Chief Executive Officer ("CEO") or his /her designee(s) is responsible for authorizing travel on necessary and essential Charter School business and the subsequent approval of incurred expenditures. The intent of reimbursement is to defray those expenses the employee would not ordinarily have incurred had the employee not been on travel status.

Those designees considered agents of the CEO, and those designees alone, have the authority to approve expenditures for this purpose for their direct reports. It shall be their responsibility to see that their subordinates are familiar with these procedures and that their approval is obtained *before* such expenditures are incurred. An Administrator may not authorize his/her own travel or approve expenditures, but must obtain the prior written approval of his/her supervisor.

All out-of-town travel for educational personnel must be pre-approved by the CEO to ensure that the purpose is consistent with the Charter School's educational goals and focus. Additionally, expenditures for all out-of-town travel require the prior approval of the CEO or his /her designee(s).

Expenditures in excess of the limitations established in these procedures will be approved only if fully documented and a review of the circumstances indicates that such expenditures are necessary and in the best interests of the Charter School. The CEO shall provide written authorization of approvals. Limited instances outside of established limitations set forth in these procedures when necessitated by business circumstances are subject to *advance* written approval of the CEO for reasons other than those set forth here. The CEO may delegate approval to her designee for amounts under \$200.00.

2. FEDERAL GRANT RECIPIENT REIMBURSEMENT

The Board of Trustees shall reimburse administrative, professional and support employees and school officials for travel costs incurred in the course of performing services related to official business as a federal grant recipient.

3. CONFERENCE PARTICIPATION

Participation in any one conference will be limited to **two (2) participants** absent express written consent of the Board of Trustees.

The Charter School will reimburse employees, directly involved in educating students, for no more than up to two (2) conferences per fiscal year. For all non-instructional employees, the Charter School will reimburse for not more than one (1) conference per fiscal year.

For all employees, attendance at the conference must be essential to job performance. For instance, travel to participate in meetings of professional, civic or social associations will only be approved if their content is deemed to be specifically aligned with and critical to job performance. Employees may attend additional conferences on their own time and at their expense.

To share helpful information, attendance at a conference by any employee, including an employee who has been invited to a conference as a presenter, is conditioned upon the employee providing a written report and, if requested by his/her supervisor, a presentation to colleagues regarding conference content within thirty (30) days after the conference.

Waiver of any or all of the limitations set forth above in Conference Participation may be granted only by the CEO.

4. REQUEST FOR REIMBURSEMENT

Employees will be reimbursed for approved expenditures within the policies and limitations established herein. The "Crispus Attucks Charter School Travel Reimbursement Form" (hereinafter referred to as "Reimbursement Form"), properly executed and signed, will be used to request reimbursement for routine or out-of-state travel. Receipts for transportation, hotel accommodations, taxi fares, tolls, etc., must be obtained and attached to the form. Reimbursement will be included in the employee's paycheck for a subsequent pay period.

All requests for reimbursement of travel expenses are subject to review by the Board of Trustees to determine the official nature of the expenditure and the propriety and reasonableness of the charges. Expenditures not deemed necessary or reasonable will not be reimbursed.

5. REIMBURSABLE EXPENSES

Travel Within the York Metropolitan Area and Surrounding Suburbs (*Routine Travel*)

The Reimbursement Form should be submitted for reimbursement on a monthly basis.

By Automobile

The shortest distance to the destination should generally be taken. Exceptions may be made when expressways or other highways are more convenient or require less time. Records must be kept of the distances between stops so that entries on the Reimbursement Form will be accurate. In listing trips on the Reimbursement Form, indicate the start destination (school/location) of each trip and the miles covered. Show the total reimbursable miles covered for the day in the prescribed block, rounding the total to the nearest mile. Attach a computer map showing the miles of the route. The Charter School's mileage reimbursement rate is the rate allowed by the Internal Revenue Service. Parking fees are reimbursable when parking at commercial parking areas is necessary. Parking fees are not reimbursable with respect to the regular or normal work location.

Mileage reimbursement will not be granted for the first stop of each workday or for the trip home from the last work location of the day. These two trips are equivalent to going to work and returning home after work each day and are not reimbursable. Mileage after the first stop through the last official stop of the day is reimbursable.

Travel mileage reimbursement will not be granted to employees who are eligible to earn overtime or compensatory time and who work on a non-scheduled workday, i.e., weekends, holidays, snow days or summer days for ten-month employees, etc.

Indicate on the Reimbursement Form each place visited via public transportation and the cost of each trip. Generally, the least expensive mode of travel should be used. Enter the total fares for the day in the amount column on the Reimbursement Form. The cost of travel to and from home and an employee's school or office is not an allowable expense.

Extended Daily Travel

Travel within the state of Pennsylvania, which does not include an overnight stay, and is less than 150 miles (*one-way*), is considered routine. The same guidelines established for travel within the York Metropolitan Area and Surrounding Suburbs as outlined above apply. Overnight stay is not permitted within the Greater York Region unless an exception is granted by the CEO or his /her designee(s).

6. OUT-OF-TOWN TRAVEL

Out-of-town travel includes any travel that is (a) over 150 miles (one way), or (b) includes an overnight stay, or (c) is outside the state of Pennsylvania. All out-of-town travel must be authorized in advance by the CEO or his/her designee(s), even where reimbursement of expenses is not being requested. The Reimbursement Form should be used for this purpose.

The authorizing administrator must be aware of the difference between the costs for automobile, train and air travel before approving a trip and authorize only that travel plan most advantageous to the Charter School. Carpooling should be required by supervisors wherever possible.

Employees are required to forward a completed Reimbursement Form to the CEO or his /her designee.

Conference registration fees for conventions, professional or trade association meetings are reimbursable by use of the Reimbursement Form. Payment of registration fees must be documented by cancelled check, credit card receipt or money order receipt.

Transportation to a terminal for the purpose of beginning a trip, transportation to and from the destination terminal, and transportation home from the terminal must always be made at the lowest possible cost. Public transportation, shuttle service or private automobile, if less costly, must be used in preference to taxi service. Reasonable, long-term airport parking costs will be reimbursed.

Bridge and highway tolls incurred in official travel will be reimbursed when receipts are attached to the Reimbursement Form.

7. MEALS WHILE IN TRAVEL STATUS

Meal allowance will be made for travel of over four (4) hours.

All meals while on travel status are reimbursable, without documentation, at the following rates (taxes and tips included):

Meal Allowances:

Breakfast:	\$5.00
Luncheon:	\$10.00
Dinner:	\$20.00
<i>Total Per Day:</i>	<u>\$35.00</u>

In order to qualify for meal allowances, an employee must be in a travel status during at least one half hour between the following time limits:

Breakfast:	7:30 am and 9:30 am
Luncheon:	11:30 am and 1:30 pm
Dinner:	5:30 pm and 7:00 pm

Meals that are part of an official function (conventions, etc.) will be reimbursed in the amount actually expended and should not be included in the meal allowance. A receipt must accompany the reimbursement request for such meals. Meals that are included in the registration fee may not be included in the request for meal allowance.

8. OTHER EXPENSES

Telephone costs in the conduct of official business are reimbursable. Personal calls home (for employees on out-of-town travel) are reimbursable up to \$5.00 per trip with receipts.

Valet expenses (dry cleaning, laundering) and other such personal expenses are not reimbursable.

Reasonable tips for carrying luggage ***will be allowed of \$5.00 per stay.***

Use of a rental car is not reimbursable unless it can be shown that it was essential in the conduct of the official business and/or in the best interests of the Charter School. Approval for use of a rental car must be secured in advance of travel on the Reimbursement Form.

Upon conclusion of travel, and within ten (10) business days, a Reimbursement Form must be completed and signed by the CEO or his / her designee. Additional requests for travel will be denied to an employee who has not submitted a Reimbursement Form in a timely fashion.

9. VACATION PRECEDING/FOLLOWING TRAVEL

When an official period of travel is preceded or followed by an approved employee vacation or other non-work day, only such expenses that are an integral part of the official travel may be charged.

Transportation costs will be reimbursed up to the approved value of the roundtrip cost to and from the point of destination of the official travel.

10. CEO AND BOARD OF TRUSTEE EXPENSE REIMBURSEMENTS

The CEO of the Charter School is the only eligible employee authorized to use an executive credit card and/or debit card to incur reasonable and necessary expenses related to conducting official Charter School business in accordance with the reimbursement guidelines and the policies and procedures for utilization of the Charter School.

When traveling out-of-town on official Charter School business, charges for transportation and accommodations for the CEO can be charged directly to the executive credit card and/or debit card by the CEO and on the personal credit card of choice for the Board of Trustees Members.

Requests for payment of executive credit card expenses by the CEO must be submitted to the Board of Trustees. All requests for payment require the credit card statement, original itemized receipt(s) of charges and an explanation of the business purpose(s). Requests for reimbursement of expenses by Board Members must follow the same procedures.

Late fees will NOT be reimbursed by the Charter School, but will be the responsibility of the CEO and/or Board Member to pay using non- Charter School funds.

All requests for payment by the CEO must be reviewed and approved by the Board prior to being paid.

All requests for reimbursement of expenses by the Board of Trustees must be reviewed and approved by the CEO or his /her designee.

All requests for credit card payment or reimbursement of expenses are subject to review by an internal audit service to determine the official nature of the expenditure and the propriety and reasonableness of the charges.

11. POLICIES AND PROCEDURES FOR AIR TRAVEL

Airline reservations will be booked by the employee at the lowest available coach rate requiring as few transfers as possible.

Many airlines offer substantially reduced fares when a Saturday evening stay-over is booked. Approval for early arrivals and extended stays at the expense of the Charter School will be granted if the employee can demonstrate that the additional cost for lodging and meals is more than offset by reduced airfares.

Paper tickets will not be issued. All tickets will be electronic; requiring the employee to present two forms of identification at the check-in. Employees will receive a printed itinerary prior to traveling. This itinerary and appropriate receipts must be submitted along with the properly completed Reimbursement Form.

An employee's frequent flier mileage account can be credited for official travel. Employees cannot reject a booking if the lowest available fare is with an airline other than that of which they are a frequent flier member.

Charges for change of flights will be the responsibility of the employee unless the change was in the interest of the Charter School and approved by the CEO or his /her designee prior to or after completion of travel.

Lodging will be booked at government rates **or at the lowest available rate if government rates are not available within a ½ mile radius** except as noted in below.

Employees will be required to present identification and a credit card at the time of arrival. Reimbursement of room charges will be through the Reimbursement Form.

Regularly scheduled conferences and meetings usually provide for special lodging rates for participants. Employees should check to see if they can book lodging at the designated conference or meeting hotels at a price that is less than the conference or meeting rate. If a lower rate cannot be secured, the employee should book lodging through the conference or meeting facility.