

KEYSTONE ACADEMY CHARTER SCHOOL

BUSINESS & FINANCE POLICIES & PROCEDURES

Keystone Academy Charter School
Business & Finance Policies & Procedures
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Business & Finance Policies & Procedures

100. FINANCES

OBJECTIVES

1. Purpose

1.1 The Board of Trustees recognizes its responsibility to the taxpayers of the City and Commonwealth to be sure that public funds expended by the School 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.

2. Authority

2.1 The CEO, in conjunction with the Controller, has the authority and responsibility to prepare the budget. The Board of Trustees has the authority and responsibility to approve the budget and pass upon each expenditure of the School.

3. Responsibility

3.1 To meet the goals of this policy, the Board of Trustees requires the CEO, in conjunction with the Controller, to establish sound accounting procedures based upon State and Federal recommended accounting procedures to institute effective business practices and recommend suitable accounting equipment, where necessary.

101. BUDGET PLANNING

1. Purpose

1.1 The budget shall be designed to reflect the 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 support and development. This necessitates a continuous review of the financial requirement of School programs.

102. BUDGET PREPARATION

1. Purpose
 - 1.1 The Board of Trustees 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 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 School.
2. Authority
 - 2.1 The budget should be studied by each member of the Board of Trustees during its preparation but, once adopted, it deserves the support of all members of the Board regardless of their position when adoption was voted.

103. BUDGET HEARING

1. Purpose
 - 1.1 It is the policy of the Board of Trustees 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 members of the community.
2. Authority
 - 2.1 Each member of the Board of Trustees and each administrator shall be thoroughly familiar with and understand the need for each proposed expenditure so that they can answer any question directed to them.

104. BUDGET ADOPTION

1. Purpose
 - 1.1 By law it is the duty of the Board of Trustees to adopt an annual budget. The budget shall be adopted by fund, function and class.
2. Authority
 - 2.1 The Board of Trustees shall, by June 30th, adopt by majority vote of all its members adopt an operating budget setting forth the proposed expenditures of the Board during the next fiscal year and the estimated receipts of the Board during the next fiscal year including approximate estimates of proposed revenues and all other receipts. The total amount of proposed expenditures shall not exceed the amount of funds available for

School purposes. This action shall be done by a majority vote prior. A roll call vote shall be taken.

105. BUDGETARY AMENDMENTS

1. Purpose
 - 1.1 It is the policy of the Board of Trustees that the annual budget may be amended periodically throughout the school year as circumstances, funding levels and needs change.
2. Authority
 - 2.1 The Board shall have the power to amend the budget to authorize the transfer of any unencumbered balance or portion thereof from one appropriation to another.
3. Responsibility
 - 3.1 The Controller, in conjunction with the CEO, shall present a resolution with a detailed listing of proposed budget adjustments by fund, function and class for approval. The resolution shall specify the source of funds for each amendment.

106. BUDGETARY CONTROL

1. Purpose
 - 1.1 It is the purpose of this policy to establish a system of control over the adopted budget to assure that funds are available for approved programs and that the School remains financially sound.
2. Authority
 - 2.1 No expenditure may exceed the adopted budget line for fund, function and class.
3. Responsibility
 - 3.1 The Controller shall ascertain that funds are available in the appropriate budget line item prior to the release of any purchase order or commitment. No funds shall be released unless funds are available in the appropriate budget line item.

108. FINANCIAL REPORTING

1. Purpose

1.1 It is the purpose of this policy to establish financial reporting requirements to the Board.

2 Responsibilities

2.1 The Controller shall, as soon as is practicable after the end of each fiscal year, submit to the Board an annual financial statement for the School for the past year. Such statement shall include itemized data with respect to all assets of the School, outstanding indebtedness, if any, and such other information relating to the finances of the School as the Board may deem necessary or proper.

2.2 On a monthly basis, the Controller shall prepare a monthly financial report for the Operating Fund including:

- Balance Sheet
- Statement of Revenues, Expenditures and Budget Comparison
- Listing of Disbursements
- Statement of Cash Flow

110. BANKING

1. Purpose

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

2. Authority

2.1 Each designated depository shall furnish proper collateral for such deposits in the amount designated by the Board of Trustees and in accordance with law.

2.2 Each designated depository shall be advised not to cash checks payable to the School but to deposit said checks to the School accounts.

2.3 The Board President, Board Treasurer, CEO and Controller shall be an authorized signer on all accounts. The Principal shall be an additional signer on the Student Activity, Special Revenue and Imprest Fund Accounts.

2.4 The Operating and Payroll Accounts shall carry two signatures. One signature shall be that of a board member and the other signature shall be either the CEO or Controller.

2.5 The Student Activity, Special Revenue and Petty Cash Accounts shall carry one signature.

- 2.6 The School shall maintain the following bank accounts:
- Operating Account – is the school’s main account to be used for general deposits and disbursements
 - Payroll – is to be used for payroll disbursements
 - Money Market – is to be used to maximize interest on idle funds
 - Student Activity – is a school-based account to be used for student clubs and activities
 - Special Revenue – is a school-based account to be used for class trips, collections and the associated disbursements.
 - Imprest – is a school-based account to be used for small incidentals and supplies costing less than \$500

3 Responsibilities

- 3.1 All deposits (cash and checks) shall be made intact without any deductions.
- 3.2 All deposits shall be made to the Operating bank account except for student clubs/activities and class trips which shall be deposited to the Student Activity and Special Revenue bank accounts respectively.
- 3.3 Checks shall be drawn following the procedures outlined in Section 130 of this policy.

111. INVESTMENTS

1. Purpose

- 1.1 The School 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.

2. Authority

- 2.1 All investments of the Board of Trustees by an officer or employees of this School shall be in accordance with state law and the following policy.

3. Responsibility

- 3.1 Funds of the School may be invested in U.S. Treasury Securities or 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 in accordance with law and Board policy.
- 3.1 Investment of School funds may be made in the sole discretion of the Board of Trustees when operating within applicable statutes, provided that no commitment of this Board may be put in default at time due but be paid properly and promptly.

- 3.2 Funds of the Board may be withdrawn from approved public depositories, or negotiable instruments owned by the School may be sold before maturity at the sole discretion of the Board acting within the law.
- 3.3 All securities shall be purchased in the name of Keystone AcademyCharter School.

120. PURCHASES

1. Purpose

- 1.1 It is the policy of the Board of Trustees 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 Keystone AcademyCharter School.

2 Authority

- 2.1 No employee or Board member has authority to make purchase commitments, enter into contracts for materials, supplies, or services, or otherwise take any action that may be construed as financially binding to the school, except through the approved process as described herein. Segmenting or breaking apart purchases to reduce the purchase price with the intention of circumventing quote or approval thresholds is prohibited.

3 Responsibility

- 3.1 All purchases for non professional services, materials, supplies and equipment that are within budgetary limits and were originally contemplated within the budget may be made upon authorization of the CEO unless the contemplated purchase is for more than \$10,000 in which case prior approval is required from the Board of Trustees.
- 3.2 All purchases for professional services, materials, supplies and equipment that are within budgetary limits and were originally contemplated within the budget may be made upon authorization of the CEO unless the contemplated purchase is for more than \$5,000 in which case prior approval is required from the Board of Trustees.
- 3.3 All purchase requests must be referred to the Controller who shall check as to whether the proposed purchase is subject to quote, whether sufficient funds exist in the budget, and whether the material might already be available.

121. PURCHASES SUBJECT TO QUOTE & BID

1. Purpose

- 1.1 It is the policy of the Board of Trustees to obtain competitive bids for construction services where such bids are required by law.
- 1.2 It is the policy of the Board of Trustees to obtain competitive quotes for products and services where such quotes may be believed to bring about a cost saving to the School.

2 Responsibility

- 2.1 For expenditures over \$10,000 (individually or cumulatively per fiscal year), written quotes must be solicited from at least three qualified vendors, and outlier quotes reviewed with the vendor to ensure a correct understanding of the scope.
- 2.2 For purchase amounts between \$2001 and \$10,000 (individually or cumulatively per fiscal year), written or telephone quotes must be solicited from at least two qualified vendors.
- 2.3 Bid/quote specifications shall be prepared by the Controller. Bid/quote specifications shall provide for alternates wherever possible.
- 2.4 The Controller shall combine like items of supply and material whenever it is feasible, and permissible under statute, and not split purchases to avoid requirements for quoting or bidding.
- 2.5 The Board of Trustees recognizes that emergencies may occur when imminent danger exists to persons, property or the continuance of existing school classes is threatened, and time for bidding or quoting cannot be provided because of the need for immediate action.
- 2.6 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 shall lose the right to bid.

3 Guidelines

- 3.1 Purchase requests shall be submitted on an approved requisition form. Upon the placement of a purchase order, the Controller shall encumber the expenditure against a specific budget line item to guard against the creation of liabilities in excess of appropriations. Detailed purchasing procedures shall be found in 123.

122. DISQUALIFICATION, SUSPENSION OR DEBARMENT OF BIDDERS

1. Purpose

- 2.1 This policy sets forth standards to determine what bidders are not responsible and procedures to disqualify or suspend or debar non-responsible bidders from contracting or subcontracting with the School. It applies to all contracts which Keystone AcademyCharter School is required by law to award to the lowest responsible bidder.

2 Policy

- 2.1 Keystone AcademyCharter School shall solicit or accept bids from and shall award contracts to or consent to subcontracting only with responsible bidders. Bidders, contractors, or affiliates may be disqualified, suspended or debarred as not responsible to protect Keystone AcademyCharter School and the public's interest in accordance with the standards and procedures adopted by the School and any other applicable law.

3 Authority

- 3.1 Keystone AcademyCharter School adopts this policy and procedure under its powers to make rules and regulations to manage school affairs and competitive bidding provisions of the Public School Code, 24 Pa. §§ 5-510, 7-75(a), 8-807.1 (1985 Supp.).

4 Responsibility

- 4.1 The CEO is generally responsible to implement and enforce this policy and may designate subordinate officers or employees to perform any functions provided for in this policy.

5 Definitions

- 5.1 "Adequate evidence" means evidence sufficient to support a reasonable belief in the truth of the fact or conclusion it is offered to support and does not require proof in accordance with technical rules of evidence.
- 5.2 "Affiliates" means persons having an overt or covert relationship such that any one of them directly or indirectly controls or have the power to control another.
- 5.3 "Bidders" means any person responding to an invitation for bids or otherwise seeking to contract with the Keystone AcademyCharter School or with its contractors.
- 5.4 "Contractor" means any person independent of the Keystone AcademyCharter School who does or seeks to do business with the School pursuant to mutual agreement and includes persons who subcontract with Keystone AcademyCharter School.

- 5.5 “Conviction” means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, including a plea of nolo contendere.
- 5.6 “Debarment” means exclusion as a contractor from award of any particular contract with Keystone Academy Charter School; a contractor so excluded is “debarred”.
- 5.7 “Disqualification” means exclusion as a contractor from award of any particular contract with Keystone Academy Charter School; a contractor so excluded is “disqualified”.
- 5.8 “Indictment” means a formal accusation of a criminal offense and includes any information or other filing by a competent authority charging a criminal offense.
- 5.9 “Legal proceedings” means any civil or criminal judicial proceeding, including appeals.
- 5.10 “Person” means an individual, company, firm, association, corporation, partnership, or other legal entity.
- 5.11 “Public prosecutor” means an official having legal authority in any jurisdiction to file or to prosecute indictment.
- 5.12 “Suspension” means exclusion as a contractor for an indefinite time determined by some stated future occurrence; a contractor so excluded is “suspended”.

6 Debarment

- 6.1 Cause for Debarment - The School may debar a bidder or contractor or affiliate for any one or more of the following causes:
 - 6.1.1 Conviction of or civil judgment for:
 - 6.1.1.1 Fraud or crime in connection with obtaining, attempting to obtain or performing a public contract or subcontract;
 - 6.1.1.2 Violation of any law showing a lack of business or personal integrity or honesty, including but not limited to, bribery, embezzlement, extortion, forgery, falsification or destruction of records, false statements, theft or receiving stolen property;
 - 6.1.1.3 Violation of any federal or state antitrust laws;

- 6.1.1.4 Violation of any law governing labor or employment, including wages and hours, child labor, or discrimination; or
- 6.1.1.5 Violation of any election or campaign finance laws.
- 6.1.2 Unsatisfactory performance or failure to perform in accordance with the terms of one or more contracts with any person, provided that such acts or failure to act occurred within a reasonable period of time before or during Keystone AcademyCharter School's decision.
- 6.1.3 Providing false or misleading information as part of any prequalification statement, bid or contract, including but not limited to financial statements, fair employment forms, or product descriptions;
- 6.1.4 Unauthorized payments, gifts or other valuable consideration to any person having any official duties, direct or indirect, in connection with bidding, awarding or performing Keystone AcademyCharter School contracts.
- 6.1.5 Debarment from contracting by any other federal or state governmental body; or
- 6.1.6 Any other lawful reason.
- 6.2 Period of Debarment
 - 6.2.1 Debarment shall be imposed for a specified time not to exceed three years unless reasons for longer period are stated in the notice of debarment.
 - 6.2.2 Keystone AcademyCharter School may extend debarment for an additional specified period at any time before a debarment expires upon adequate evidence in addition to that which supported the original debarment in accordance with the procedure for debarment.
 - 6.2.3 Keystone AcademyCharter School may reduce the period of debarment upon the bidder's or contractor's written request supported by adequate evidence of good cause, such as:
 - 6.2.3.1 Reversal of the conviction or judgment upon which the debarment was based without a new trial within a reasonable time;
 - 6.2.3.2 Bona fide change in ownership or management of the bidder or contractor; or

6.2.3.3 Elimination of other causes for which debarment was opposed.

6.3 Procedure for Debarment

6.3.1 The CEO shall begin debarment proceedings by giving notice of intent to debar to the bidder or contractor and any specified affiliates by certified mail, return receipt requested, stating:

6.3.2 The intent to debar for a specified period;

6.3.3

6.3.4 The causes for debarment with a summary of the information on which the findings of causes are based; and

6.3.5 The debarment is effective immediately and the decision will become final within twenty (20) days unless the bidder or contractor or affiliate submits a written response within that time opposing the debarment, including information raising a genuine dispute as to the facts on which it is based or to the application of this policy.

6.3.6 If a bidder or contractor timely opposes debarment, the CEO who issued the notice of debarment shall promptly refer the notice of debarment and the bidder, contractor's or affiliate's response to a Hearing Officer, who shall:

6.3.6.1 Schedule an informal hearing within fifteen (15) days, with written notice to the parties, at which Keystone Academy Charter School and the bidder, contractor or affiliate may present evidence on issues raised by the notice of debarment and the response thereto:

6.3.6.2 Issue a written decision within fifteen (15) days of the hearing, either sustaining or over-ruling the debarment, and stating (i) a summary of the evidence presented, (ii) conclusions applying this policy to the facts, serving this decision on the bidder, contractor or affiliate by certified mail, return receipt requested.

6.3.6.3 The Hearing Officer's decision shall be final.

7 Suspension

7.1 Cause for Suspension

- 7.1.1 Keystone AcademyCharter School may suspend a bidder, contractor or affiliate for any one or more of the following causes:
 - 7.1.1.1 Indictment for any crimes covered in Section 6.A(1) or
 - 7.1.1.2 Committing irregularities (a) of a serious nature in business dealings with Keystone AcademyCharter School or (b) seriously reflecting on the propriety of further business dealings with Keystone AcademyCharter School
- 7.2 Period of Suspension
 - 7.2.1 Suspension shall be imposed for a period pending the outcome of criminal proceedings or the completion of an investigation and such legal proceedings as may ensue.
- 7.3 Procedure for Suspension
 - 7.3.1 The CEO shall begin suspension proceedings by giving notice of intent to suspend to the bidder or contractor and any specified affiliates by certified mail, return receipt requested, stating:
 - 7.3.1.1 The intent to suspend and the period;
 - 7.3.1.2 The causes for suspension with a summary of the information on which the findings of causes are based; and
 - 7.3.1.3 The suspension is effective immediately and the decision will become final within twenty (20) days unless the bidder, contractor, or affiliate submits a written response within that time opposing the suspension, including information raising a genuine dispute as to the facts on which it is based or to the application of this policy.
 - 7.3.2 If a bidder, contractor or affiliate timely opposes suspension, the CEO who issued the notice of suspension shall promptly refer the notice of suspension and the bidder's or contractor's or affiliate's response to a Hearing Officer who shall:
 - 7.3.2.1 Schedule an informal hearing within fifteen (15) days, with written notice to the parties, at which Keystone AcademyCharter School and the bidder, contractor, or affiliate may present evidence on issues raised by the notice of suspension and the response thereto;
 - 7.3.2.2 Issue a written decision within fifteen (15) days of the hearing, either sustaining or over-ruling the suspension,

and stating (i) a summary of the evidence presented, (ii) finding of fact based on adequate evidence and (iii) conclusions applying this policy to the facts, serving this decision on the bidder or contractor by certified mail, return receipt requested.

7.3.3 The Hearing Officer's decision shall be final.

8 Disqualification

8.1 Cause for Disqualification

8.1.1 A bidder or contractor may be disqualified with respect to any particular bid or contract award for any one or more of the following causes:

8.1.1.1 Any cause set forth in Section 6.A or 7.A of this policy;

8.1.1.2 Inadequate financial resources to perform the contract;

8.1.1.3 Inadequate experience, organization, or technical resources to perform the contract;

8.1.1.4 Any other facts or circumstances showing a reasonable likelihood of inability to perform the contract.

8.1.1.5 Discrimination in the bidder's or contractor's employment or business practices on the basis of race, color, sex or national origin.

8.1.2 Period of Disqualification

8.1.2.1 Disqualification may be imposed for any particular bid or contract award and applies only to the bid or contract award.

9 Responsibility for Agents

9.1 Bidders, contractors, and affiliates are deemed responsible for the acts of persons acting for or on their behalf, such that:

9.1.1 The fraudulent, criminal or other improper conduct of any officer, director, shareholder, partner, employee or other associate may be imputed to the bidder, contractor or affiliate when the conduct occurred in connection with the individual's performance of duties for or on behalf of the bidder, contractor or affiliate, or with his/her knowledge, approval or acquiescence. Acceptance of the benefits

derived from such conduct shall be evidence of such knowledge, approval or acquiescence;

9.1.2 The fraudulent, criminal or other improper conduct of bidder, contractor or affiliate may be imputed to any officer, director, shareholder, partner, employee, or other associate who participated in, knew of or had reason to know of the conduct; and

9.1.3 The fraudulent, criminal or other improper conduct of one bidder, contractor or affiliate participating in a joint venture or similar arrangement may be imputed to other participating bidders, contractors, or affiliates if the conduct occurred for or on behalf of the joint venture or similar arrangement or with the knowledge, approval or acquiescence of other participants. Acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence.

10 Effect on Executory Contracts

10.1 The School may continue in effect any contracts with debarred or suspended persons which have not been fully performed at the time of debarment or suspension in accordance with their terms.

10.2 The School shall not renew or extend contracts with debarred or suspended persons unless the CEO or a designee states in writing to the Board of Trustees the compelling reasons for renewal or extension.

11 Restrictions on Subcontracting

11.1 When a debarred or suspended contractor is proposed as a subcontractor for any subcontract subject to Keystone AcademyCharter School approval, the School shall not approve such subcontractor unless the CEO or a designee states in writing the compelling reasons for such approval.

12 Contract Not Requiring Competitive Bidding

12.1 Keystone AcademyCharter School may exclude any debarred or suspended person from consideration for any contract award not requiring competitive bidding.

13 Records

13.1 The Hearing Officer shall maintain records of all persons debarred, suspended, or disqualified for the purpose of enforcing this policy.

123. PURCHASE ORDER AND REQUISITION PROCESSING

1. Purpose

- 1.1. It is the policy of the Board of Trustees that all purchases contemplated shall follow an approval process in order establish appropriate internal controls and safeguard school assets.

2. Authority

- 2.1. All requests for acquisition of goods and services shall be initiated through the use of a Purchase Requisition Form. The Purchase Requisition Form shall be submitted to the appropriate Coordinator/Supervisor who will review the request for propriety and appropriateness to the school program.
- 2.2. The authorized Purchase Requisition Form will be transmitted to the School Fiscal Office for processing and quote, if required under guidelines set forth in Section 121 of this policy. After processing, a Purchase Order Form will be prepared and transmitted to the CEO or his/her designee for approval.
- 2.3. Upon the CEO's approval, the Purchase Order Form will be submitted to the Controller for budgetary review. The Controller will sign the Purchase Order Form and release it to the vendor.

130. PAYMENT OF CLAIMS

1. Purpose

- 1.1. It is the purpose of the Board of Trustees to effect the prompt payment of invoices but, at the same time, to ensure that due care has been taken in the review of such invoices.

2. Authority

- 2.1. Each invoice or obligation of the School must be fully itemized and verified by the Controller before a check can be drawn for its payment.
- 2.2. Delegation of Responsibility
 - 2.2.1. It shall be the responsibility of the Controller 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 in a classification for which the Board budgeted, and the invoice is for the amount contracted.

- 2.2.2. Upon the approval of an order, the School Controller shall prepare a check for payment and cancel the commitment placed against the appropriate account.
3. Accounts Payable Processing
 - 3.1.1. Upon receipt of the materials or equipment, school personnel shall verify that the items and the quantity of items are correct. The packing slip shall be initialed along with the date and time. The packing slip shall be forwarded to the School Fiscal Office.
 - 3.1.2. Upon receipt of services, the receiving department shall prepare a Check Request Form, which shall be signed by the Coordinator or Department Head.
 - 3.1.3. In the case of materials or equipment, the School Fiscal Office shall match the Purchase Order, packing slip and vendor invoice. In the case of services, the School Fiscal Office shall match the vendor invoice, check request and contract.
 - 3.1.4. The School Fiscal Office shall prepare a Transmittal Form; the form and Voucher Document Package shall be presented to the CEO for review and signature.
 - 3.1.5. The authorized Transmittal Form and document package shall be presented to the Controller for review, processing and check preparation.
 - 3.1.6. The Controller shall sign the check and forward the check and Voucher Document Package to the CEO for approval.
 - 3.1.7. After approval, the CEO shall forward the check and Voucher Document Package to an authorized Board Member for signature.

131. PAYROLL AUTHORIZATION

1. Authority
 - 1.1. Employment of all permanent, temporary, and part-time charter school personnel must be approved by the Board of Trustees. Authorization to pay follows there from.
2. Delegation of Responsibility
 - 2.1. 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 salary to be paid over the term of the contract, and the period of employment.

- 2.2. 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.
 - 2.3. All employees must sign-in and sign-out in order to meet wage and hour requirements.
 - 2.4. Salary or wages may be withheld by the Controller for unapproved time off in accordance with Board policy.
3. Personnel/Payroll Processing Protocol

- 3.1. Upon approval by the Board, the school office shall prepare a Personnel Action Form which shall be signed by the CEO.
- 3.2. Each Employee shall complete a New Hire Personnel Form Package with the following documents:
 - Form W-4
 - Form I-9
 - Certifications & College Transcripts
 - Child Abuse Check
 - Criminal Background Check
 - Direct Deposit Authorization
 - Medical/Dental Insurance Applications
 - Pension Fund Application

Incomplete packages shall not be processed. Employees may not commence employment until the New Hire Personnel Form Package is complete.

- 3.3. The signed Personnel Action Form and the New Hire Personnel Form Package shall be forwarded to the Controller for budgetary review and entry into the payroll accounting system.
- 3.4. On a bi-weekly basis, the School Fiscal Office shall prepare a summary of time worked including time for sick, vacation, and personal leave in a format prescribed by the Controller. This information shall be approved by the CEO and submitted to the Controller for payroll processing.
- 3.5. Employees absent from work due to illness, personal leave or vacation shall prepare a leave request form which shall be presented to their immediate supervisor and CEO for approval.
- 3.6. Failure of an employee to sign in or out will delay employee payment. An employee with repeated infractions will be subject to disciplinary action.
- 3.7. The Controller shall prepare payments to employees based upon payroll summary information submitted by the CEO.

- 3.8. Payments shall be electronically transmitted on a bi-weekly schedule to the employee's bank account. A voucher shall be supplied to employee on payday Fridays.

132. EMPLOYEE TRAVEL EXPENSE REIMBURSEMENT REGULATIONS

1. Purpose

- 1.1. To establish the policies and procedures governing the reimbursement of travel and other reasonable and proper expenses incurred by employees in the performance of official and necessary School business.

2. Authorization and Approval of Travel

- 2.1. The CEO is responsible for authorizing travel on necessary and essential 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.
- 2.2. Expenditures for out of town travel require the approval of the CEO in advance of such travel. Expenditures for out of town travel of the CEO and Principal require the approval of the Board of Trustees.
- 2.3. 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 were necessary and in the best interests of the School. Approval of the CEO is required.
- 2.4. Conference Participation in any one conference will be limited to a number such that there shall be substitute teacher coverage during the period of conference attendance.
- 2.5. Employees may obtain an out of town travel advance by completing the prescribed form and listing all proposed expenses for the trip or conference. After review and approval by the CEO, the Controller shall issue an advance equal to 80% of the proposed costs. This advance shall be reconciled within 10 days of the return in accordance procedures for reimbursement detailed in section 3 below.

3. Reimbursements

- 3.1. Employees will be reimbursed for approved expenditures within the policies and limitations established herein. Employee Expense Reimbursement will be requested on a form to be provided by the school travel. Receipts for transportation, hotel accommodations, taxi fares, tolls, etc., must be obtained and attached to the form.
- 3.2. All requests for reimbursement of travel expenses are subject to review by the

Board Treasurer 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.

3.3. Reimbursable Expenses

- Travel within city 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, 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. A mileage reimbursement rate equal to the amount 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 via public transportation:
 - 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.
- 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
 - 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 should not be included in the request for meal allowance.

- Other Expenses:
 - Telephone costs in the conduct of official business are reimbursable.
 - Valet expenses (dry cleaning, laundering) and other such personal expenses are not reimbursable.
 - Reasonable tips for carrying luggage at place of lodging will be allowed.
 - 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 School. Approval for use of a rental car must be secured in advance of travel.

3.4. Upon conclusion of travel, and within ten (10) business days, a reimbursement request form must be completed and signed by the CEO. Additional requests for travel will be denied to an employee who has not submitted in a timely fashion.

3.5. 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.

133. CREDIT CARDS

1. Purpose

1.1. The Board recognizes the need to provide appropriate controls over credit card use, reconciliation and documentation.

2. Authority

2.1. All credit card usage shall be for the benefit of Keystone Academy Charter School.

2.2. Purchases are limited to low value office and building maintenance supplies

2.3. Personal purchases are strictly prohibited

3. Responsibilities

3.1. On a monthly basis, the cardholder will prepare a credit reconciliation on the form prescribed by the Controller. The form will list each item/service purchased, date, purpose and cost. The receipt will be attached to the form. This form shall be signed by the cardholder and the CEO. The approved form will be submitted to the Controller for processing.

3.2. Cardholders are personally responsible for misuse and subject to disciplinary action.

134. EMPLOYEE EXPENSE REIMBURSEMENT

1. Purpose

- 1.1. The Board recognizes the need to periodically reimburse employees for small supply purchases.

2. Authority

- 2.1. All purchases for which an employee expects to be reimbursed require the prior approval of an administrator.

3. Responsibilities

- 3.1. The employee shall prepare an Expense Reimbursement Form listing the item purchased, date, purpose and cost. The receipt will be attached to the form. This form shall be signed by the employee and the CEO. The approved form will be submitted to the Controller for processing.

141. PROPERTY INSURANCE

1. Purpose

- 1.1 The Board recognizes its responsibility under law to insure the real or personal property of this school, and has adopted this policy to ensure for Actual Cost Value and Replacement Cost.

2. Authority

- 2.1 The Board has the authority and responsibility to provide adequate insurance coverage to protect the school's interest in its buildings and properties. Such coverage shall be in accordance with the following guidelines.
- 2.2 Basic Fire Coverage shall include damage as a result of fire and lightning, windstorm and hail, explosion, sonic boom, vandalism and malicious mischief, riot and civil commotion, direct aircraft and vehicle damage, smoke, debris removal and sprinkler leakage.
- 2.3 Board Perils Coverage shall include, in addition to the above, damage as a result of falling objects, weight of ice, snow and sleet, collapse of building, freezing of pipes, water damage, sprinkler leakage, glass breakage (limited to \$50.00 per place \$250.00 occurrence), theft of part of building, and debris removal.
- 2.4 All Risk Coverage shall include, in addition to the above, all risk of direct physical damage of loss, debris removal and boiler and machinery insurance.

- 2.5 In placing insurance the Board shall be guided by service of the insurance agent, scope of coverage provided by policy, and price of desired coverage

142. OTHER INSURANCE

1. Purpose

- 1.1 Proper school operation requires that adequate basic insurance programs be provided for the protection of the school and employees of the school.

2. Authority

- 2.1 The Board has the authority and responsibility to provide adequate insurance coverage to protect the school's interests. Such coverage shall be in accordance with the following guidelines:

- Liability Insurance for the school shall include coverage for liability as a result of general liability, acts of employees, corporal punishment, disputes with contractors, landlord and tenant difficulties, problems concerning garage helpers, and errors and omissions of Board Members and administrators.
- Travel Accident Insurance shall include coverage for Board Members while in the performance of their duties.
- Health Care Insurance shall include coverage for hospital care for administrators and regularly employed persons, medical-surgical treatment for administrators and regularly employed persons, and major medical expenses for administrators and regularly employed persons.
- Group Life Insurance shall include coverage for administrators and regularly employed persons.
- In placing insurance, the Board shall be guided by the service of the insurance agent and carrier, scope of coverage provided by policy and price of desired coverage.

143. BONDING

1. Purpose

- 1.1 Prudent trusteeship of the resources of this school dictates that employees responsible for the safekeeping of school funds be bonded. Enumeration and valuations of such bonds shall be determined annually.

2. Authority

2.1 The school shall be indemnified against loss of money by bonding of employees holding the following positions:

- Treasurer
- CEO
- Principal
- Controller

2.2 All other employees shall be covered under a blanket bond in the amount of \$250,000.00.

2.3 The School shall bear the cost of bonding each employee required to be bonded by this policy or by statute.

150. CHARTER SCHOOL AUDIT -- PUBLIC

The Board of Trustees recognizes the importance of the right of the public to have access to the public records of the School. This includes public financial records. The public has the right under law to inspect and procure copies of the annual audit conducted by the School's independent auditor and the audit conducted by the Commonwealth's auditor general's office.

The Board also recognizes its obligation to represent the best interests of all of its constituents. Therefore, the Board will make the results of both the School's audit and the auditor general's audit available to the public at Keystone AcademyCharter School.

The Board of Trustees believes that these audits provide adequate safeguards for the public interest.

160. SCHOOL PROPERTY RECORDS

1. Purpose

1.1. 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 real and personal property as defined herein.

- Real property shall consist of all land and buildings acquired by Keystone AcademyCharter School in the course of its operations.
- Personal property shall consist of vehicles, furniture and equipment items with a purchase price in excess of \$ 1,500.00.
- Consumable supplies and materials, including books and computer software shall be accounted for through the use of a stock record and bin card system or its equivalent.
- The school shall maintain a listing of all computers.

2. Delegation of Authority
 - 2.1 The Controller shall be responsible for the design and implementation of a real and personal property inventory control system. Such inventories shall be maintained on a current basis and shall be verified by annual physical inventories.
 - 2.2 The Controller shall be responsible for the design and implementation of a stock record and bin card system or its equivalent for all consumable supplies and materials including books and computer software. Inventory balances shall be verified by periodic, unannounced physical inventories of stock items.
 - 2.3 This delegation carries with it the delegation of whatever authority is necessary for the successful implementation of an effective inventory control system.

171. IMPREST FUND

1. Purpose
 - 1.1. An Imprest Fund shall be established for small incidental purchases. Disbursements are restricted to low value supplies, books, other instructional materials and refreshments for meetings
2. Authority
 - 2.1. The Board of Trustees authorizes the establishment of an imprest fund in the care of the CEO or other administrators charged with the responsibility for the management.
3. Delegation of Responsibility
 - 3.1. The Controller shall provide an imprest bank account with an advance of \$5,000.
 - 3.2. The CEO shall ensure that petty cash funds are spent only for designated purposes for which the fund was established, no single purchase for petty cash exceeds \$500, each request for funds is made in writing on prescribed forms with any confirming papers attached and is signed by the requestor and funds are not used to circumvent the regular purchasing procedure.
 - 3.3. All disbursements will be made by check.

- 3.4. The school fiscal office shall prepare a monthly reconciliation and replenishment request on a monthly basis. This reconciliation and replenishment request shall be approved by the CEO and forwarded to the Controller for review and reimbursement.

172. SPECIAL PURPOSE FUNDS

1. Purpose

- 1.1. It is the purpose of this policy to establish financial supervision and controls for the administration of the various activities that involve Special Purpose Funds

2. Authority

- 2.1. Student body funds are not part of charter school funds but shall be supervised by the CEO and the CEO shall countersign all checks drawn upon them.

3. Responsibilities

- 3.1. Funds collected shall be turned in to the School Fiscal Office before the end of each school day to be safeguarded until they are deposited intact, without deduction within 24 hours. The staff person presenting the cash shall receive a receipt.
- 3.2. Records shall be maintained of the receipt and disbursement of all such funds in designated accounts according to the activity involved.
- 3.3. Disbursements from such funds shall be made by check only upon the request of the authorized advisor and the school fiscal office.
- 3.4. All checks shall be signed by the CEO or his/her designee.
- 3.5. All funds should be of an exchange nature and large balances should not be permitted to accumulate. Money should not be raised or collected unless there is a definite purpose for doing so.
- 3.6. No funds shall be expended without the approval of the faculty advisor of the organizations, a student representative of the organization and the CEO.
- 3.7. A financial report of the condition of each Special Purpose Fund organization shall be submitted to the Board of Trustees, quarterly.