

## **FINANCIAL OPERATION**

### **Financial Management**

### **Policy 3100**

The Board's budget and finance processes will conform to all state and local requirements as set forth by the State constitution, State statutes, Department of Elementary and Secondary Education rules, and Board policies.

Good business necessitates keeping accurate, legal and understandable records of receipts and expenditures. It is also essential that procedures be followed which will help to insure that the budget adopted by the Board is effective in providing parameters for the fiscal affairs of the School. All School employees who handle School funds shall be provided a surety bond in the amount required by GCCS.

The purpose of GCCS budget and financial policies will be to provide direction for a systematized procedure that maintains continuity from year to year and informs the public regarding the education and financial operations of GCCS.

## **FINANCIAL OPERATION**

### **Preparation of Budget**

**Policy 3110**

#### **Budget Process**

The Superintendent in conjunction with the Chief Financial Officer will ensure that GCCS follows a budgeting process that is consistent with the requirements of federal and Missouri statutes, State Board of Education Rules and Regulations, and any other applicable laws or rules.

Each year the Chief Finance Officer is required to submit to the Board for consideration a detailed annual budget showing estimates of income and expenditures for the ensuing fiscal year. The draft of the proposed budget will be provided to the Finance Committee for review no later than May Finance Committee meeting. After that meeting, the Finance Committee will provide a copy of the draft to the full Board for their input and recommendations.

#### **Needs Analysis**

Each year before the annual operating budget is drafted the Superintendent and Chief Financial Officer shall ensure that a needs assessment of GCCS is drafted and finalized by a Finance Committee consisting of the Chief Financial Officer, the Superintendent, and other individuals as designated by the Board. The needs assessment shall inform the drafting of the annual budget.

#### **Adoption**

The final proposed budget will be presented to the Finance Committee at its June meeting to allow for its review and recommendations to the Full Board. The Board shall formally adopt the budget in an open meeting held in accordance with the Board's bylaws by June 30, according to statutory provisions, and before the expenditure of any funds. By law the approved estimated expenditures for each fund cannot exceed the estimated revenues to be received plus the unencumbered beginning cash balance for the fund.

#### **Minutes**

The secretary of the Board meetings will record the adoption of the budget and any amendments in the meeting minutes in which the adoption occurs.

#### **Post-Adoption**

After the beginning of the fiscal year, the Superintendent and Chief Finance Officer shall review with the Board the adopted budget in relationship to the beginning cash balances for each fund.

## **Fiscal Compliance**

The Chief Financial Officer shall ensure that GCCS complies with all state and federal laws and rules concerning the budget and related processes of the school.

## **FINANCIAL OPERATION**

### **Fiscal Year**

**Policy 3111**

The fiscal year begins annually on the first day of July and ends on the thirtieth day of the following June.

## **FINANCIAL OPERATION**

### **Fund Accounts**

**Policy 3113**

GCCS will maintain the following funds for the accounting of GCCS moneys: teachers' fund, incidental fund, and capital projects fund. These funds are denoted for state reporting purposes as: General Fund, Fund 1 – comprised of the Incidental Fund; Fund 2 – the Special Revenue Fund, comprised of the Teachers' Fund; and, Fund 4 – the Capital Projects Fund.

## **FINANCIAL OPERATION**

### **Payments from Federal Funds**

**Policy 3115**

Payments from Federal awards will be processed to minimize the time elapsing between transfer of funds from the federal pass through entity and the disbursement of funds by GCCS to vendor recipients regardless of whether the payment is made by electronic transfer, or issuance of checks, warrants, or payments. GCCS will make timely payment to contractors consistent with the terms of each specific contract. Advance payments of Federal funds will be deposited and maintained in insured interest-bearing accounts. GCCS cash management of Federal funds will be consistent with requirements § 200.305 of the Code of Federal Regulations.

## **FINANCIAL OPERATION**

### **Cash Management**

**Policy 3120**

All cash transactions shall be recorded in writing, by handwritten receipt, detailing from whom the money and in what amount which shall be signed and dated by the Principal on behalf of GCCS.

The Executive Assistant to the Chief Executive Officer shall be responsible for depositing cash in the UMB bank account. The Executive Assistant to the Chief Executive Officer will only be responsible for depositing the cash into the bank account, and will be segregated from the duty of receiving the cash on behalf of the school. Deposits shall be made weekly at a minimum. All undeposited cash shall be kept in a secured location on school premises with limited access. A copy of the validated deposit slip shall be returned to the school on same day the deposit is made or the next day after the deposit is made.

All expenditures of school funds, including cash expenditures, shall be documented and accounted for by daily receipts. Cash will not be used to make purchases. School checks shall not be made payable to "Cash."

## **FINANCIAL OPERATION**

### **Federal Fiscal Compliance**

**Policy 3130**

Fiscal Requirements under Title I, Title II, and Title IV of NCLB

1. GCCS shall ensure that federal funds will be used to supplement, not supplant regular non-federal funds.
2. Documentation shall be maintained, or caused to be maintained, by the Assistant Superintendent. The documentation must clearly demonstrate the supplementary nature of federal funds.

### **Federal Grant Allowable Expenditures**

Prior to expending funds, the Superintendent in conjunction with the Chief Financial Officer shall consult the appropriate OMB Circular (OMNI Circular) or other federal guidance to determine what costs are allowable. The Superintendent in conjunction with the Chief Financial Officer shall ensure that all grant funds are expended in accordance with the Circular or other applicable federal law or rule.

### **Time and Effort**

Records are required for all employees, including teachers, paraprofessionals, administrators, and other staff that are paid with federal funds to document the time and effort they spend within the program. The portion of the federally paid salary should be reflective of the actual activity, not budgeted, the individual has put forth for that federal program. Time and effort reporting is required when any part of an individual's salary is charged to a federal program or used as match for a federal program.

### **Semi-Annual Certification**

Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications are required to be prepared at least semi-annually.

## **Monthly Personal Activity Report (PAR)**

Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports (PARs). Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable costs under Federal awards.

Charges for salaries must be based on records that accurately reflect the work performed. These records must be:

1. Supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
2. Incorporated into the official records;
3. Reflecting the total activity for which the employee is compensated, not to exceed 100%;
4. Encompassing all activities (federal and non-federal);
5. Compliant with established accounting policies and practices; and
6. Distributed among specific activities or cost objectives.

## **FINANCIAL OPERATION**

### **Banking Procedures**

**Policy 3140**

#### **Bank Accounts**

The Chief Financial Officer of GCCS has the authority to open a business checking account and a business operating account on behalf of GCCS to be used to hold the school's assets.

#### **Checks**

Checks received shall be endorsed "for deposit only" and deposits should be made daily by someone other than the person who prepared the deposit.

Services or products rendered, reimbursement requests with original receipts, or mileage reimbursements may receive payment with a check. A purchase order form must be completed by the requestor and approved with a signature by the Superintendent or Chief Financial Officer. The purchase order form shall contain the name of the payee, the date the check is requested to be written, the amount of the check, a brief description for the issuance of the check, and the funding source that will be drawn from. The purchase order shall then be submitted electronically for processing and approval. All purchase order forms shall be maintained by the Staff Accountant.

Checks payable to cash for any reason are prohibited.

#### **Mail Procedures**

The Controller receives the mail, opens it, and accounts for all checks. The accounting should identify the date, name of organization or person submitting payment, amount of payment and description of what the payment is for.

The checks once accounted for are delivered to the Executive Assistant for deposit.

#### **Bank Reconciliations**

There will be segregation of duties between individuals responsible for cash receipts and cash disbursements and the individual responsible for bank reconciliations.

The Controller, in conjunction with the Chief Financial Officer, is responsible for bank reconciliations a minimum of once monthly. Bank statements should be delivered to the

Controller unopened. Each bank statement, asset, and liabilities shall be reconciled to both the checkbook and the general ledger.

### **Credit Card Procedures**

It is the policy of GCCS that credit card use shall be limited and only the following employees or board members are authorized to use credit cards: the Superintendent, the Assistant Superintendent, the Human Resource Director, the Chief Financial Officer, and the Principal in each building. GCCS will not use debit cards. Credit cards may not be used for personal purchases or cash transactions and shall be maintained by the highest level of security.

Employees issued a credit card must receive prior, documented approval from the Superintendent and the Chief Financial Officer before the use of the credit card. Each credit card transaction by any user must be accompanied by the original receipts documenting each transaction.

## **FINANCIAL OPERATION**

### **Procurement Procedures**

**Policy 3150**

All individuals purchasing goods or services on behalf of GCCS must adhere to the procedures contained herein. The GCCS Board has the ultimate authority and approval over GCCS purchases, payments, bidding requirements, construction contract bidding and awards and conflicts of interest.

The Finance Committee will review all nonrecurring purchases and contracts that may exceed \$15,000 and make recommendations regarding the proposed expenditure to the full Board. Unless in accordance with emergency provisions, no contract will be entered into or bill paid without proper documentation and without an affirmative vote from a majority of the Board and after execution of the contract by the Board President.

### **Code of conduct**

No employee, officer, or agent shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of GCCS shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value (less than \$25). Members of the Board shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. Officers, employees, directors, and agents of GCCS shall be subject to disciplinary actions for violations of these standards.

Personal purchases shall not be made from GCCS vendors utilizing GCCS accounts to obtain special pricing afforded to GCCS. The use of the GCCS's name, tax identification number, or any other means which infers GCCS authorization to obtain a reduced price for any product or service being purchased for private use is expressly prohibited.

### **Completion**

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. GCCS shall be alert to organizational conflicts

of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards shall be made to the bidder or offeror whose bid is responsive to the solicitation and is most advantageous to GCCS, price, quality, and other factors considered. Solicitations shall clearly set forth all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by GCCS. Any and all bids or offers may be rejected when it is in the GCCS's interest to do so. In all procurement GCCS shall avoid practices that are restrictive of competition. These 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 awards 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 of other relevant requirements of the procurement; and
7. Any arbitrary action in the procurement process.

### **Methods of Procurement.**

Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold at 2 C.F.R. 200.67 (currently set at \$10,000, unless purchases are for a construction project subject to Davis-Bacon Act). These purchases may be awarded without soliciting competitive quotations, if prices are considered reasonable. To the extent practicable, purchases must be distributed among qualified suppliers.

Procurement by small purchase procedures. Small purchase (Simple Acquisitions) procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that cost between \$10,000 and \$250,000 (2 C.F.R. Parts 200.320 and 200.323) and where procurement by sealed bids is not required. If small purchase procedures are used, price or rate quotations shall be obtained from three (minimum of two) qualified sources to insure that the selection process is competitive in accordance with these policies.

Procurement by sealed bids (formal advertising). Scope of work included in request for proposal shall be reviewed by the Board prior to solicitation. Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded by the Board to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids.

1. The sealed bid method is the preferred method for procuring construction if the following conditions are present:
  - a. A complete, adequate, and realistic specification or purchase description is available;
  - b. Two or more responsible bidders are willing and able to compete effectively and for the business; and
  - c. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
2. If sealed bids are used, the following requirements apply:
  - a. The invitation for bids will be publicly advertised by various methods including but not limited to a newspaper of major circulation, and bids shall be solicited from three (minimum of two) known vendors, providing them sufficient time prior to the date set for opening the bids;
  - b. The invitation for bids, which will include any specifications and pertinent attachments, shall define the items of services in order for the bidder to properly respond;
  - c. All bids will be publicly opened at the time and place

prescribed in the invitation for bids;

d. A firm fixed-price contract award will be made in writing to the lowest and best responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall 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;

e. Any or all bids may be rejected if there is a sound documented reason; and

f. Except for unusual circumstances, the winning bidder will be required to honor the quoted price for a period of at least 60 days. Any quote submitted shall specify the time period for which it is valid.

g. Winning bidder shall provide three original copies of contract. Once signed by all parties, originals shall be distributed to vendor, Chief Financial Office and Chief Operating Officer.

Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids or small purchase procedures. If this method is used, and the following requirements apply:

1. Requests for proposals will be publicized and identify all evaluation factor and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
2. Proposals will be solicited from three (minimum of two) qualified sources;
3. GCCS shall evaluate responses to its solicitations and select awardees in accordance with the procedures outlined in section 5 below ("Procurement Procedures");
4. Awards will be made to the responsible firm whose proposal is most advantageous to GCCS with price and other factors considered; and

5. GCCS may use the competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. A procurement process where price is not to be used as a stated selection factor can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services although A/E firms are a potential source to perform the proposed effort.

Procurement by noncompetitive proposals is procurement through solicitation or a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

1. Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one or more of the following circumstances apply:
2. The item is available only from a single source;
3. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
4. The funding source specifically authorizes the use of noncompetitive proposals; and
5. After solicitation of a number of sources, competition is determined inadequate.

### **Procurement procedures.**

All procurement by GCCS shall comply, at a minimum, with the requirements of subsections 1, 2, and 3 below:

1. GCCS avoids purchasing unnecessary items.
2. Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement.

3. Solicitations for goods and services provide for all of the following:
  - a. A clear and accurate description of the technical requirements for the material, product, or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
  - b. Requirements which must be fulfilled and all other factors to be used in evaluating proposal submitted in response to solicitations.
  - c. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
  - d. When relevant, the specific features of “brand name or equal” descriptions that are to be included in responses submitted to solicitation.
  - e. The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
  - f. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
4. Positive efforts shall be made by GCCS to utilize small locally owned businesses, minority-owned firms, and women’s business enterprises, whenever possible. GCCS shall take all of the following steps to further this goal.
  - a. Ensure that small businesses, minority-owned firms, and women’s business enterprises are used to the fullest extent practicable.
  - b. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women’s business enterprises.
  - c. Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms,

and women's business enterprises.

d. Encourage, when practical, contracting with consortiums of small businesses, minority-owned firms, and women's business enterprises when a contract is too large for one of these firms to handle individually.

e. Use the services and assistance, as appropriate and practical, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms, and women's business enterprises.

3. The type of procuring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) shall be determined by GCCS but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting shall not be used.

4. Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration may be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

5. Debarment and Suspension – No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement of Non-procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

### **Cost and price analysis**

A cost of price analysis shall be made and documented in the procurement files in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted and market prices. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability. The degree of effort involved in conducting cost analysis depends on the factors in a particular procurement; however, every cost element listed in

an offer must be examined. Cost analysis is required when contract modifications introduce conditions that were not examined under previous analysis or where more current information is needed.

### **Procurement records**

Procurement records and files for purchases in excess of the small purchase threshold shall include the following at a minimum: (a) rationale for the method of procurement (small purchase, sealed bid), (b) basis for contractor selection or rejection, and (c) basis for cost or price.

### **Contract administration**

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions, and specifications of the contract and to ensure adequate and timely follow up of all purchases. GCCS shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions, and specifications of the contract.

### **Contract provisions**

GCCS shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts. The following provisions shall also be applied to subcontracts:

1. Contracts in excess of the Simplified Acquisition Threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
2. All contracts in excess of the Simplified Acquisition Threshold shall contain suitable provisions for termination by GCCS, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of any circumstances beyond the control of the contractor.
3. For contracts dealing with construction or facility improvements GCCS shall comply with all requirements imposed by its funding sources (and the government regulations applicable to those funding sources) with regard to construction bid

guarantees, performance bonds, and payment bonds.

4. All negotiated contracts (except those for less than the Simplified Acquisition Threshold) awarded by GCCS shall include a provision to the effect that GCCS shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts, and transcriptions.

5. All contracts, including small purchases, awarded by GCCS and its contractors where the source of the funds, directly or indirectly, is the federal government, shall contain the following procurement provisions as applicable.

a. Equal Employment Opportunity – All contracts, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall contain a provision requiring compliance with E.O. 11246, “Equal Employment Opportunity,” as amended by E.O. 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and as supplemented by regulations at 41 C.F.R. part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

b. Copeland “Anti-Kickback” Act (18 U.S.C. 874 and 29 C.F.R. Part 3) – All contracts in excess of \$2,000 for construction or repair, when funded in whole or part by monies derived from the Federal government (either directly or indirectly) shall include a provision for compliance with the Copeland “Anti-Kickback” Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 C.F.R. Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or sub-recipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to the Federal awarding agency.

c. Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7) – When required by Federal program legislation, all construction contracts awarded by the recipients and sub-recipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 C.F.R. part 5, “Labor

Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction”). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal awarding agency.

d. Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) – All contracts in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, when funded in whole or in part by monies derived from the Federal government (either directly or indirectly), shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330), as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

e. Debarment and Suspensions – All contracts, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall contain a provision requiring compliance with E.O. 12549, stating that recipients must not contract with parties that have been debarred or suspended on The System for Award Management database.

f. Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended – Contracts and sub-grants of amounts in excess of \$100,000, when funded in whole or part by monies derived from the Federal government (directly or indirectly), shall contain a provision that requires the recipient to agree to comply with all applicable standards, order, or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

g. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) – Contracts for an amount above \$100,000, when funded in whole or part by monies derived from the Federal government (either directly or indirectly), shall include a

certification by the contracting parties that they have not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. 1352 and to further require disclosure of any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

## **FINANCIAL OPERATION**

### **Purchases By or Solicitation of School Staff**

**Policy 3170**

#### **Conflict of Interest**

GCCS will not purchase supplies or materials from a staff member of GCCS, nor from a member of the household of the staff member, except in emergency situations as determined by the Superintendent. Neither will GCCS purchase supplies, materials or services from a Board member or from a member of the Board member's household, or from a firm in which the Board member holds an interest.

#### **Endorsements**

Employees or Board members of GCCS will not endorse products or services in such a manner that will identify the employee as an employee of GCCS.

#### **Procurement Activities**

In any purchasing activities all employees shall refrain from soliciting, discourage the offer of, and decline gifts if offered by any vendor wishing to do business with, or who is doing business with GCCS. Instead of making an offer of gifts, the vendor should be encouraged to discount the price of the goods to GCCS.

#### **Solicitation or Distribution**

The advertising of sale or distribution of any goods or service on school property, for any school activity, shall have prior approval from the Principal. This includes but is not limited to: school personnel, students, parents or guardians, relatives, general public and commercial businesses.

#### **Solicitations of School Staff**

Agents, solicitors, and salespersons will be denied the privilege of seeing the school staff during the school day except with permission.

## **FINANCIAL OPERATION**

### **Procurement of Professional Services**

**Policy 3180**

The Board and Superintendent recognize that some professional services are necessary on certain occasions to assist in the governance of GCCS. These services include attorneys to provide legal counsel with specific expertise regarding education policy matters, architects, and certified public accountants to annually audit the financial statements of GCCS and to provide answers to questions that arise during the course of the fiscal year. Similarly, it may be necessary to obtain financial advisory services to monitor the long range debt objectives of GCCS.

While in some instances it may be possible to seek bids for the professional services each time a need arises, there are also numerous benefits to maintaining longer term relationships with specific professionals. Having a satisfactory relationship with a professional service provider includes fair pricing, timely delivery, dependable and sound advice concerning areas of expertise, a personality match with administrators and board members and numerous other factors. As long as the Board and Superintendent are comfortable with the quality of services provided, it is not essential that annual bidding occur merely to drive prices to their lowest level. By losing historical memory of any professional service provider, GCCS may in the long run incur more expense for the expresses belief that service quality is slipping, expenses and fees are escalating at unacceptable levels, or any other non-favorable working situation is developing, nothing in this policy is intended to preclude seeking proposals from other vendors offering similar services. The Board and Superintendent believes that the collective expertise within GCCS is sufficient to judge if and when seeking alternative providers is prudent.

## **FINANCIAL OPERATION**

### **Payroll**

### **Policy 3200**

The Controller shall ensure that school employees are paid accurately and timely in accordance with applicable laws and rules.

School employees shall be paid:

1. By a written instrument issued by the employer that is negotiable on demand at full face value for United States currency; or
2. By the electronic transfer of funds to the employee's bank pursuant to a direct deposit agreement signed by the employee.

All employees shall be paid on the 15<sup>th</sup>, or closest business day thereto, and the last day of the month, or closes business day thereto.

The Controller shall ensure that the wages of school employees are not withheld except in the following situations as permitted by applicable laws and rules:

1. GCCS is ordered to do so by a court of competent jurisdiction;
2. GCCS is authorized to do so by state or federal law; or
3. GCCS has written authorization from the employee to deduct part of the wages for a lawful purpose.

As prescribed by Statute, all employees working twenty five plus hours over a nine month cycle at GCCS shall be members of the Kansas City Public School Retirement System and subject to its requirements. The Board shall expend for employee retirement an amount that reflects the requirements as outlined in Missouri State Statute and Department of Elementary and Secondary Education regulations.

## **FINANCIAL OPERATION**

### **Receipt of State Funds**

**Policy 3310**

All state funds will be accepted for the operation of GCCS as provided by entitlement by law and through regulations of the Missouri State Board of Education or Missouri Department of Elementary and Secondary Education.

The Superintendent or Assistant Superintendent is responsible for filing all required reports and forms to obtain state funds to which the School is entitled to receive according to developed rules and regulations.

## **FINANCIAL OPERATION**

### **State and Federal Funded Projects**

**Policy 3320**

With Board approval, GCCS may operate various specially funded programs that must be administered in accordance with particular federal and/or state laws, regulations, and other conditions for use of such funds.

The Superintendent shall be responsible for coordinating funded projects, administering programs, and ensuring that the various departments operating these programs do so within the guidelines of the particular program. The administration shall keep accurate and separate records, as required by state and federal programs, to enable GCCS to verify program compliance and success. The Superintendent shall keep the Board fully informed.

## **FINANCIAL OPERATION**

### **Borrowed Funds**

**Policy 3331**

State law authorizes the Board to borrow funds in anticipation of the collection of taxes in order to insure continuity in the operations of the School. The Board must approve in advance all applications for loan indebtedness. The amount borrowed and the repayment of notes payable shall be within guidelines as established by state law and rules, regulations of the Missouri Department of Elementary and Secondary Education and the Charter Agreement.

## **FINANCIAL OPERATION**

### **Student Fees and Fines**

**Policy 3350**

#### **Fees**

No fees shall be charged for enrollment, supplies, equipment or costs attributable to courses of study which are offered for credit. Students shall be required to pay for materials which are used in constructing projects or other items which are to be removed from the school and are thereby the property of the student. All projects constructed at school with materials provided by the school are the property of GCCS and therefore shall not be removed from school unless approved by the appropriate Administrator.

Students may be charged fees or admission for participation in activities which are voluntary, such as attendance at school athletic or other co-curricular events. The fee schedule for such events shall be submitted to the Board for approval annually.

Students will be assessed an Board approved fee for the use of electronic devices.

#### **Fines**

Every effort shall be made to protect the financial resources of GCCS by collecting all payments for student fines, lost or damaged textbooks, damage or vandalism to school property. Collected fines shall be deposited in the appropriate account in order to charge replacement costs for books, materials, equipment or repaired property to the appropriate budget item.

## **FINANCIAL OPERATION**

### **Receipts of Funding for Student Organizations**

**Policy 3370**

From time to time student clubs, athletic teams, and organizations will receive designated gifts or receive money through fund raising efforts. Those monies will be placed in the appropriate fund within GCCS and a separate line item accounting will occur to ensure that the monies collected are spent for the benefit of the receiving student club, athletic team, or student organization.

## **FINANCIAL OPERATION**

### **Accounting System**

**Policy 3410**

GCCS will adhere to the accounting guidelines of the Missouri Department of Elementary and Secondary Education.

GCCS shall maintain records that adequately identify the source and application of funds. These records must contain information pertaining to grant or sub-grant awards that authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

GCCS shall maintain effective control and accountability of all state and local funds, federal grant and sub-grant cash, real and personal property, and other assets obtained with local, state or federal funds. The school shall adequately safeguard all such property and assure that it is used solely for authorized purposes.

Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and sub-grant awards documents, etc.

GCCS shall compare actual expenditures or outlays of state or federal funds with budget amounts for each fund, grant or sub-grant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or sub-grant agreement. Applicable federal cost principles, agency program regulations, and the terms of grant and sub-grant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.

## **FINANCIAL OPERATION**

### **Annual Financial Report**

**Policy 3420**

School officials will submit to the Missouri Department of Elementary and Secondary Education all data and reports as required by law and/or by regulations of the Missouri State Board of Education. The Annual Report will be completed and submitted in accordance with department regulations.

The Annual Report will be available to all School patrons, and to each member of the General Assembly representing a legislative LEA that contains a portion of the School's attendance area.

## **FINANCIAL OPERATION**

### **Annual Audit and Financial Statements**

**Policy 3423**

Annually, the books and accounts of GCCS will be audited by an independent certified public accountant in conformance with the prescribed standards and legal requirements. The Chief Financial Officer shall place before the Board the matter of the retaining of a certified public accountant. The auditor shall be selected by the Board. The audit shall be presented to the Board for examination and approval.

Once the Board of GCCS receives the final report, it must vote to accept the contents of the audit at either its next regularly called meeting or at a special meeting called in accordance with the Board's bylaws.

The Chief Financial Officer shall ensure that a copy of the annual audit report is timely filed with the Missouri Department of Elementary and Secondary Education. The audit report should include a certificate signed by the President of the Board that the Board voted to accept the contents of the audit. If the Board did not accept the contents of the audit report, that should be noted with the submission.

The Chief Financial Officer shall prepare, or cause to be prepared, an annual financial statement for each fund subject to the authority of the Board during the fiscal year showing:

1. The total receipts of the fund, itemized by source of revenue, including taxes, assessments, service charges, grants of state money, gifts, or other general sources from which funds are derived;
2. The total disbursements of the fund, itemized by the nature of the expenditure; and
3. The balance in the fund at the close of the fiscal year.

## **FINANCIAL OPERATION**

### **Capital Assets Accounting**

**Policy 3425**

A capital asset is an asset that is tangible in nature; has a life that exceeds one year; or significant value (\$5,000 per unit or a lower amount designated by the board of directors); and reasonably identified and controlled through a physical inventory system.

The Chief Financial Officer shall ensure that GCCS maintains accurate records of capital assets in accordance with applicable rules.

The Chief Financial Officer will ensure that a physical inventory of capital assets takes place once every two years.

The annual financial audit required shall include an exhibit in the audit report identifying all capital assets and the ownership interest of local, state, and federal parties.

## **FINANCIAL OPERATION**

### **Authorized Signatures**

**Policy 3430**

The Board President, Superintendent, Chief Operating Officer of Guadalupe Centers, Inc. have the authority to sign all checks issued by GCCS approved by the Board. All checks over one thousand dollars (\$1.000) will be signed by two authorized signers.

## **FINANCIAL OPERATION**

### **Travel and Reimbursement**

**Policy 3440**

It is the policy of the Board to pay reasonable travel expenses for those who travel on GCCS business and whose trip has been approved in advance by the Superintendent. These expenses include registration, transportation, meals, lodging, tolls, and parking charges. Expenses are reimbursed only when properly accounted for by an individual and approved by the Superintendent.

## **FINANCIAL OPERATION**

### **Sales Tax**

**Policy 3450**

GCCS is exempt from Missouri sales and use tax on purchases. All sellers or vendors shall be furnished a copy of the official State of Missouri Tax Exemption Letter by the Finance Office at the time a purchase order is delivered.

Administrators, teachers, or other school staff who have been authorized to make purchases for GCCS from local retail dealers will provide a copy of the tax-exempt letter to such dealer at time of purchase.

GCCS representatives are prohibited from using GCCS's tax-exempt letter for purchase of articles for personal use.

## **FINANCIAL OPERATION**

### **Student Attendance Accounting**

**Policy 3460**

An accurate accounting of student attendance, transportation, and food service records shall be kept by GCCS. The records will be kept in accordance with state law and appropriate regulations of the Missouri Department of Elementary and Secondary Education.

Principals will be responsible for maintaining student attendance accounting, and for submitting monthly reports of such records to the Superintendent, who will in turn be responsible for preparing reports to be submitted to the appropriate state officers.