

**7000 SERIES—FINANCIAL MANAGEMENT**

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## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7100**

#### Budget and Program Planning

The annual budget is evidence of the Board of Directors' commitment to the objectives of the instruction programs. The budget supports the immediate and long-range goals and established priorities within all areas: instructional, non-instructional and administrative programs.

Prior to presentation of the proposed budget for adoption, the Superintendent shall prepare, for the Board's consideration, recommendations, with supporting documentation, which shall be designed to meet the needs of students within the limits of anticipated revenues.

Program planning and budget development shall provide for staff participation and the sharing of information with patrons prior to action by the Board.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7110**

#### Budget Implementation and Execution

Once adopted by the Board of Directors, the operating budget shall be administered by the Superintendent and his or her designees. All actions of the Superintendent and designees in executing the programs and/or activities delineated in that budget are authorized according to these provisions:

1. Expenditure of funds for the employment and assignment of staff shall meet the legal requirements of the State of Idaho and adopted Board policies;
2. Funds held for contingencies may not be expended without approval from the Board;
3. A listing of warrants describing goods and/or services for which payment has been made must be presented for Board approval each regular board meeting; and
4. Purchases shall be made according to the legal requirements of the State of Idaho and adopted Board policy.

Legal Reference: I.C. § 33-701 et seq.      Fiscal Affairs of School District

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7120**

#### Budget Adjustments

Any person(s) proposing a budget amendment must provide written notice of the same to each Director at least seven (7) days in advance of the meeting at which such budget amendment will be proposed.

Prior to the final vote on a budget amendment proposal, notice shall be posted and published once in the manner prescribed by Idaho law. The meeting to adopt a budget amendment shall be open and shall provide opportunity for any citizen within the charter school boundaries to appear and be heard. Budget procedures shall be consistent with statutory requirements.

With timely notice of a public meeting, Directors, by a majority rule of the members of the Board of Directors, may declare by resolution that a budget amendment is necessary to reflect the availability of funds and the requirements of the Charter School. Budget amendments are specifically authorized by I.C. § 33-701.

Budget amendments shall be submitted to the State Superintendent of Public Instruction.

Legal Reference: I.C. § 33-701      Fiscal Year – Payment and Accounting of Funds

Policy History: Dennis Wilson, Don Dow

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## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7130**

#### Annual Budget – Planning and Preparation

The Superintendent along with the Administrator shall prepare a calendar, which shall ensure all deadlines established by law for budget presentations, notifications, hearings and adoption are met. The Superintendent of Idaho Virtual High School shall prepare the annual budget for Idaho Virtual High School.

The Board's role in budget planning is to ensure that the budget:

- Reflects Richard McKenna's financial objectives
- Reflects the priorities of the school;
- Considers both short and long range funding sources and expenditures.

The Annual Budget must be presented at a public hearing no later than 28 days prior to the annual meeting.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7200**

#### Accounting System Design

The Charter School accounting system shall be established to present with full disclosure the financial position and results of the financial operations of the Charter School funds and account groups in conformity with generally accepted accounting principles. The accounting system must be in compliance with the accounting system requirements established by legislative action. It shall be possible to demonstrate the accounting system's compliance with finance-related legal and contractual provisions.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7210**

Fixed Assets and Management Discussion and Analysis (GASB Statement 34)

#### Purpose

The Board of Directors recognizes the need to implement the required accounting and financial reporting standards set out in Governmental Accounting Standards Board Statement 34 (“GASB 34”)

The primary objectives of implementing the GASB 34 are to assure compliance with state requirements, and to properly account for both the financial and economic resources and to provide new and additional information to users of Charter School financial statements.

#### Authority

Participation of and reporting shall be in accordance with Board policy and State of Idaho Fiscal Policies manuals as prepared by the office of the State of Idaho Controller’s Office and GASB 34.

#### Delegation of Responsibility

The responsibility to coordinate the compilation and preparations of all information necessary to implement this policy is delegated to the Superintendent or his designee in cooperation with the Charter School Accountant.

The designated individual shall be responsible for implementing the necessary procedures to establish and maintain a fixed asset inventory, including depreciation schedules. Depreciation shall be computed on a straight-line basis over the useful lives of the assets, using an averaging convention. Normal maintenance and repairs shall be charged to expense as incurred; major renewals and betterments that materially extend the life or increase the value of the asset shall be capitalized. A schedule of accumulated depreciation shall be consistent from year to year.

#### Guidelines

In order to associate debt with acquired assets, and to avoid net asset deficits, any asset that has been acquired with debt proceeds shall be capitalized, regardless of the cost of the asset. Any assets capitalized should be depreciated using their estimated useful life, not their amortization schedule.

For all other assets not acquired by debt proceeds, the dollar value of any single item for inclusion in the fixed assets accounts shall be not less than

{ } \$5,000.

The capitalization threshold shall be set at a level that will capture at least 80% of all fixed assets.

The assets listed below do not normally individually meet capitalization threshold criteria:

1. Library books;
2. Classroom texts;
3. Computer equipment;
4. Classroom furniture.

Assets that fall below the capitalization threshold for GASB 34 reporting purposes may still be significant for insurance, warranty service, and obsolescence/replacement policy tracking purposes. The intermediate unit may record and maintain these non-GASB 34 asset inventories in subsidiary ledges.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:



Documentation and Approval of Claims

All financial obligations and disbursements must be documented in compliance with the statutory provisions and audit guidelines. The documentation will specifically describe acquired goods and/or services, the budget appropriations applicable to payment, and the required approvals. All purchases, encumbrances and obligations, and disbursements must be approved by the administrator designated with the authority, responsibility, and control over the budget appropriations. The responsibility for approving these documents should not be delegated.

The Charter School business office will be responsible for the development of the procedures and forms to be used in the requisition, purchase, and payment of claims.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

**Disclaimer:**

**Charter School Financial Fraud or Theft is a criminal matter and covered by State laws. This policy is merely a guideline so that all Charter School employees understand the possible repercussions of such actions. If you have questions regarding fraud and/or theft, please contact your counsel and/or your local law enforcement agency.**

**Idaho Virtual High School**

**FINANCIAL MANAGEMENT**

**7225**

Financial Fraud and Theft Prevention

All Charter School employees, Directors, consultants, vendors, contractors, and other parties maintaining a business relationship with the Charter School shall act with integrity and due diligence in matters involving Charter School fiscal resources.

The Superintendent shall be responsible for developing internal controls designed to prevent and detect fraud, financial impropriety, or fiscal irregularities within the Charter School. Every member of the Charter School's administrative team shall be alert for any indication of fraud, financial impropriety, or irregularity within his or her areas of responsibility.

The Superintendent shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential. While investigating and responding to the financial fraud allegations, the Superintendent or Chair of the Board of Directors will give priority to avoiding possible retaliation or reprisals.

Staff Responsibilities

Any employee who suspects that financial fraud, impropriety, or irregularity has occurred shall immediately report those suspicions to their immediate supervisor and/or the Superintendent or his or her designee who shall have the primary responsibility for initiating necessary investigations. Additionally, the Superintendent shall coordinate investigative efforts with the Charter School's legal counsel, auditing firm, and other internal or external departments and agencies, including the county prosecutor's office and law enforcement officials, as the Superintendent may deem appropriate.

An employee who believes they have suffered reprisal, retaliation, or discrimination for a report under this policy shall report the incident(s) to the Superintendent or designee. The Board will attempt to ensure that no employee who makes such a report will suffer any form of reprisal, retaliation, or discrimination for making the report. Employees are prohibited from preventing or interfering with those who make good faith disclosures of misconduct. This policy shall not apply when an employee knowingly makes a false report.

In the event the concern or complaint involves the Superintendent, the concern shall be brought to the attention of the Chair of the Board who is hereby empowered to contact the Charter School's legal counsel, auditing firm, and any other agency to investigate the concern or complaint.

### Definition

As used in this policy, "fraud" refers to intentionally misrepresenting, concealing, or misusing information in an attempt to commit fiscal wrongdoing. Fraudulent actions include, but are not limited to:

1. Behaving in a dishonest or false manner in relation to Charter School assets, including theft of funds, securities, supplies, or other Charter School properties;
2. Forging or altering financial documents or accounts illegally or without proper authorization;
3. Improper handling or reporting of financial transactions;
4. Personally profiting as a result of insider knowledge;
5. Disregarding confidentiality safeguards concerning financial information;
6. Violating Board conflict of interest policies; and
7. Mishandling financial records of Charter School assets, such as destroying, removing, or misusing them.

### Internal Controls

The following internal controls shall be a regular practice of the Charter School in an effort to prevent the possibility of fraud:

1. **Treasurer's Receipts:** The clerk should have receipts and numbered duplicates for everything paid out in his or her custody.
2. **Checks:** The clerk shall keep personal custody of any signature stamps and maintain a log for every check written.
3. **Audit:** An individual not connected to the business office should audit the check register regularly.
4. **Conduct background checks on potential business office employees:** Check all possible references, not just those offered, and perform criminal background checks on key business officials and other warranted individuals.
5. Monthly reviews by an individual not connected with the business office are performed. Checklists are provided to the auditor each year during the audit.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

Financial Reporting and Audits

The Board directs that financial reports of all Charter School funds shall be prepared in compliance with statutory provisions and generally accepted accounting and financial reporting standards. In addition to the reports required for local, State, and federal agencies, financial reports will be prepared for each regular board meeting and annually and presented to the Board. The financial reports shall reflect the financial activity and status of the Charter School funds.

Appropriate interim financial statements and reports of financial position, operating results and other pertinent information will be prepared to facilitate management control of financial operations.

**The Board directs that school audits shall be conducted in accordance with Idaho law (I.C. § 67-450B). Each audit shall be a comprehensive audit of the affairs of the Charter School and the Charter School funds. The audits shall comply with all statutory provisions and generally accepted governmental auditing standards.**

The report shall be filed with the State Department of Education after its acceptance by the Board of Directors not later than November 10.

Legal Reference: I.C. § 33-701      Fiscal Year – Payment and Accounting of Funds  
I.C. § 67-405B      Independent Financial Audits by Government Entities

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7250**

#### Fund Accounting System

The accounts of the Charter School are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts.

Legal Reference: I.C. § 33-901 et seq.      School Funds  
                          I.C. § 33-701 et seq.      Fiscal Affairs of School District

Policy History: Dennis Wilson. Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7300**

#### Revenues

The Charter School will seek and utilize all available sources of revenue for financing its educational programs. This includes revenues from non-tax, local, State, and federal sources. All revenues received for the Charter School will be properly credited to the appropriate fund and account as specified by federal and State statute and the accounting and reporting regulations for Idaho school districts and charter schools.

The Charter School will collect and deposit all direct receipts of revenues as necessary but at least once monthly. The Charter School will make an effort to collect all revenues due from all sources, including, but not limited to, rental fees, bus fees, fines, tuition fees, other fees and charges.

Policy History: Dennis Wilson

Adopted on: January 22, 2019

Revised on:

Advertising in Schools/Revenue Enhancement

Revenue enhancement through a variety of Charter School-wide and Charter School approved marketing activities, including but not limited to advertising, corporate sponsorship, signage, etc., is a Board-approved venture. These opportunities are subject to certain restrictions as approved by the Board of Directors in keeping with the contemporary standards of good taste. Such advertising will seek to model and promote positive values for the students of the Charter School through proactive educational messages and not just traditional advertising of a product. Preferred advertising includes messages that encourage student achievement and the establishment of high standards of personal conduct.

All sponsorship contracts will allow the Charter School to terminate the contract at least on an annual basis if it is determined that it will have an adverse impact on implementation of curriculum or the educational experience of students.

The revenue derived should:

1. Enhance student achievement;
2. Assist in the maintenance of existing Charter School athletics and activity programs; and

Appropriate opportunities for these marketing activities include but are not limited to:

1. Fixed signage;
2. Banners;
3. Charter School-level publications;
4. Television and radio broadcasts;
5. Charter School level projects;
6. Expanded usage of facilities beyond traditional use, such as concerts, rallies, etc.;

Advertising will not be allowed in classrooms.

The following restrictions will be in place when seeking revenue enhancement. Revenue enhancement activities will not:

1. Promote hostility, disorder or violence;
2. Attack ethnic, racial, or religious groups;
3. Discriminate, demean, harass, or ridicule any person or group of persons on the basis of gender;
4. Be libelous;
5. Inhibit the functioning of the Charter School;
6. Promote, favor, or oppose the candidacy of any candidate for election, adoption of any bond/budget issues, or any public question submitted at any general, county,

- municipal, or Charter School election;
7. Be obscene or pornographic as defined by prevailing community standards throughout the Charter School;
  8. Promote the use of drugs, alcohol, tobacco, firearms, or certain products that create community concerns;
  9. Promote any religious or political organization;
  10. Use any Charter School or school logo without prior approval; or
  11. Use age-inappropriate material.

### Exception

Nothing herein shall be construed to prevent advertising in publications which are published by student organizations, and parent group. Funds received for approved projects involving advertising in said publications may be retained by the school-related group that is sponsoring the activity as a fundraising event.

### Solicitations

Salespersons, representatives, or agents shall not solicit or contact pupils, teachers, or other employees in the school buildings or on school grounds without prior approval.

Cross Reference: 2100 Curriculum Development and  
 Assessment 2500 Library Materials  
 2520 Curricular Materials  
 8250 Guidelines for Food and Beverages Sales

Legal References: 7 CFR § 210.30 Local School Wellness Policy  
 42 USC § 1758b, Section 204 Healthy and Hunger-Free Kids Act  
 of 2010  
 42 USC § 1771 et seq. Child Nutrition Act of 1966  
 42 USC § 1751 et seq. National School Lunch Act

Policy History: Dennis Wilson, Don Dow  
 Adopted on: January 22, 2019  
 Revised on:



**Allowable Uses for Grant Funds**

When determining how the Charter School will spend its grant funds, the Superintendent will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on the proposed good or service. All costs supported by federal education funds must meet the standards outlined in Education Department General Administrative Regulations, which are provided in the bulleted list below. All costs must:

1. Be necessary and reasonable for the performance of the federal award;
2. Be allocable to the federal award;
3. Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the Charter School;
4. Conform to any limitations or exclusions set forth as cost principles in 2 CFR Part 200 or in the terms and conditions of the federal award;
5. Be treated consistently;
6. Be adequately documented;
7. Be determined in accordance with General Accepted Accounting Principles (GAAP), unless provided otherwise in Part 200;
8. Not be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.

Legal Reference:	2 CFR § Part 200	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
	2 CFR § Part 3474	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Policy History: Dennis Wilson, Don Dow  
Adopted on: January 22, 2019  
Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7400**

#### Purchasing

##### Authorization and Control

The Superintendent is authorized to direct expenditures and purchases within the limits of the detailed annual budget for the school year and pursuant to state purchasing and federal procurement requirements. Board of Directors approval for purchase of capital outlay items is required when the aggregate total of a requisition exceeds \$25,000, except the Superintendent shall have the authority to make capital outlay purchases without advance approval when it is necessary to protect the interests of the Charter School or the health and safety of the staff or students. The Superintendent shall establish requisition and purchase order procedures as a means of controlling and maintaining proper accounting of the expenditure of funds that align with state purchasing and federal procurement requirements. Staff members shall not obligate the Charter School without express authority. Staff members who obligate the Charter School without proper authorization may be held personally responsible for payment of such obligations.

##### Bids and Contracts

With the exception of the purchase of curricular materials, whenever the cost of any construction, repair, or improvement or the acquisition, purchase, or repair of any equipment, or other personal property necessary for the effective operation of the Charter School exceeds \$25,000, formal bids shall be called for by issuing public notice as specified in statute as well as following federal procurement requirements. Specifications shall be prepared and be made available to all vendors interested in submitting a bid. The contract shall be awarded to the lowest responsible bidder, except that the Directors may reject any bid, reject all bids and publish notice for bids once again. If after calling for bids a second time, no satisfactory bid is received, the Board may proceed under its own direction, subject to the approval of the state board of education.

In determining what bid is the lowest responsible bidder, the Charter School will not only take into consideration the amount of the bid, the Charter School will also consider the skill, ability, and integrity of a bidder to do faithful and conscientious work and promptly fulfill the contract according to the letter and spirit. References for the bidder should be contacted.

The Superintendent shall establish bidding and contract awarding procedures that align with state purchasing and federal procurement requirements.

##### Cooperative Purchasing

The Charter School may cooperatively enter into contracts with one (1) or more schools to purchase materials necessary or desirable for the conduct of the business of the Charter School provided that the purchasing cooperative follows state purchasing and federal procurement requirements.

### Personnel Conflicts of Interest

No employee will make any purchase or incur any obligations for or on behalf of the Charter School from any private business, contractor, or vendor in which or with which the employee has a direct or indirect financial or ownership interest.

Purchases or contracted services from any private business or venture in which any employee of this Charter School has a direct or indirect financial or ownership interest will be made on a competitive bid basis strictly in accordance with the following procedures:

1. The interested employee, the business, the contractor, or the vendor will fully disclose, in writing, the employee's exact relationship to the business, the contractor, or the vendor;
2. The affected business, the contractor, or the vendor may submit a bid in compliance with the specifications outlined by the Charter School;
3. The interested employee will not be involved in any part of bidding process, including but not limited to, preparing specifications, advertising, analyzing, or accepting bids; and
4. This policy will apply to any organization, fund, agency, or other activity maintained or operated by the Charter School.

No employee will solicit gifts, gratuities, favors, prizes, awards, merchandise, or commissions as a result of ordering any items or as a result of placing any purchase order with a business, contractor, or vendor on behalf of the Charter School nor accept anything of monetary value from a business, contractor, or vendor except for unsolicited gifts of \$50 or less in value.

### Procurement Under a Federal Award

In addition to the conflicts of interest outlined above, no employee, officer, or agent of the Charter School may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such conflicts of interest include instances where any of the following has a financial or other interest in or a tangible personal benefit from a firm considered for a contract:

1. The employee, officer, or agent;
2. Any member of his or her immediate family, including spouses, children and parents;
3. His or her partner. For the purposes of this policy, "partner" shall mean an adult of the same sex or different sex with whom the employee, officer, or agent shares a non-marital intimate relationship and a common residence and with whom they mutually affirm that they share responsibility for each other's common welfare; or
4. An organization which employs or is about to employ any of the parties listed above.

The following activities are prohibited:

1. The purchase during the school day of any food or service from a Charter School contractor or vendor for individual use;
2. The removal of any food, supplies, equipment, or school property without proper authorization;
3. Individual sales by Charter School personnel of any school property, including used items.

## Violations

Any Charter School officer, employee, or agent who violates this policy may be subject to disciplinary action, including but not limited to a fine, suspension, or termination. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

Cross Reference: 7400P Procurement Under a Federal Award  
7407 Public Procurement of Goods and Services

Legal Reference: I.C. § 33-601 Real and Personal Property – Acquisition, Use or Disposal of Same.  
I.C. § 33-402 Notice Requirements  
I.C. § 33-316 Cooperative Contracts to Employ Specialized Personnel and/or Purchase Materials  
C.F.R. § 200.317 Procurement by States  
2 C.F.R. § 200.318 General Procurement Standards  
2 C.F.R. § 200.320 Methods of Procurement to be Followed

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7400P**

#### Procurement Under a Federal Award

In addition to its other policies and procedures regarding procurement, the Charter School shall adhere to the following requirements when making procurements under a federal award. The Charter School shall:

1. Ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be produced, and set forth those minimum essential characteristics and standards to which the material, product, or service must conform. The Charter School will identify all requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals.
2. Provide a written method for conducting technical evaluations of the proposals received and for selecting recipients, including factors considered for the evaluation; who performs the evaluation, the number of evaluations performed, the timeframe for conducting any evaluations, and the selection of a vendor and whether another position reviews the evaluation.
3. Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
4. Avoid acquiring unnecessary or duplicative items;
5. Consider consolidating procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.
6. Maintain a list of prequalified person, firms, or products which are used in acquiring goods and services and include enough qualified sources to ensure maximum open and free competition.
7. Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
8. Maintain records sufficient to detail the history of procurement. These records will include:

- A. Rationale for the method of procurement;
  - B. Selection of contract type;
  - C. Contractor selection or rejection; and
  - D. The basis for the contract price.
9. The use of a time and materials type contract is prohibited unless the Charter School determines that no other contract is suitable. Time and materials type contract means a contract whose cost to a Charter School is the sum of:
- A. The actual cost of materials; and
  - B. The direct labor hours charged at an hourly rates that reflect wages, general and administrative expenses, and profit.

When this type of the contract is used, it will include a ceiling price that the contractor exceeds at his or her own risk. The Charter School will assert a high degree of oversight over such contracts in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

10. Be responsible for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims.
11. The Charter School will adhere to any additional procurement rules as applicable to specific federal programs.

Procedure History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

## Idaho Virtual High School

### FINANCIAL MANAGEMENT

7407

#### Public Procurement of Goods and Service

The Charter School shall at all times adhere to the bidding requirements for the procurement of goods and services as set out in state law.

#### **Public Procurement of Goods and Services Bidding**

\$0 to \$25,000	No bidding requirements	IC 67-2803 (2)
\$25,000 to \$50,000	Semi-formal bidding: Issue written requests for bids describing goods or services desired to at least 3 vendors. Allow 3 days for written response, unless an emergency exists; 1 day for objections. Keep records for 6 months. <u>Accept low bid, or reject all bids.</u>	IC 67-2806 (1)
\$50,000 and above	Formal bidding: Publish bid notice at least 2 weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid security/bond. Can reject all if able to purchase more economically in the open market.	IC 67-2806 (2)

#### **Exemptions to Public Procurement of Goods and Services Bidding**

Personal Property	Already competitive bid (piggy-banking)	IC 67-2803 (1)
Less than \$25,000	Contracts or purchases of goods or services	IC 67-2803 (2)
Any Amount	Payments of Wages	IC 67-2803 (3)
Any Amount	Personal or professional services performed by an independent contractor. (Refer to info on qualifications in IC 67-2320)	IC 67-2803 (4)
Any Amount	Procurement of an interest in real property – lease or purchase	IC 67-2803 (5)
Any Amount	Procurement of insurance	IC 67-2803 (6)

Any Amount      Costs of Joint Powers participation

IC 67-2803  
(7)

Any Amount      Emergency Expenditures

IC 67-2808  
(1)

Legal Reference: I.C. § 67-2801 et seq. Purchasing by Political Subdivisions

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:



## Idaho Virtual High School

### FINANCIAL MANAGEMENT

7415

#### Authorizer Fee

Unless the Charter School's authorizing entity declines payment, the Charter School shall pay an authorizer fee to its authorizing entity by March 15<sup>th</sup> of each fiscal year in accordance with State law and administrative rules.

This fee shall be equal to the Charter School's proportional fee share of the moneys appropriated to the public charter school commission plus fifteen percent (15%).

The authorizer fee shall not exceed whichever of the following is greater:

1. All state funds distributed to public schools on a support unit basis for the prior fiscal year, divided by the statewide number of public school students in average daily attendance in the first reporting period in the prior fiscal year; or
2. Whichever of the following is less:
  - A. The result of the calculation described above multiplied by four (4); or
  - B. The result of the calculation described above multiplied by .015, then multiplied by the Charter School's average daily attendance in the first reporting period in the current fiscal year.

The Board of Directors may elect to divert up to ten percent (10%) of the authorizer fee to pay membership fees for an organization that provides technical assistance, training, and advocacy for Charter Schools.

Legal Reference: I.C. § 33-5208 Public Charter School Financial Support

Policy History: Dennis Wilson

Adopted on: January 22, 2019

Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

**7420**

#### Personal Reimbursements

While it is recommended that all purchases of goods or services be made within established purchasing procedures, there may be an occasional need for an employee to make a purchase for the benefit of the Charter School from personal funds. In that event, an employee will be reimbursed for a personal purchase under the following criteria:

1. It is clearly demonstrated that the purchase is of benefit to the Charter School;
2. The purchase was made with the prior approval of an authorized administrator;
3. The item purchased was not available from resources within the Charter School; and
4. The claim for personal reimbursement is properly accounted for and documented with an invoice or receipt.

The Charter School business office will be responsible for the development of the procedures and forms to be used in processing claims for personal reimbursements.

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

Charter School Credit Cards

The Board of Directors permits the use of Charter School credit cards by certain school officials to pay for actual and necessary expenses incurred in the performance of work-related duties for the Charter School.

All credit cards will be in the name of the Charter School. Credit cards may only be used for legitimate Charter School business expenditures. The use of credit cards is not intended to circumvent the Charter School's policy on purchasing. Purchases that are unauthorized, illegal, represent a conflict of interest, are personal in nature, or violate the intent of this policy may result in credit card revocation and discipline of the employee.

The Superintendent shall monitor monthly the use of each credit card by reviewing credit card expenditures and report any serious problems and/or discrepancies directly to the Board.

Credit Card Users

A list of those individuals that will be issued a Charter School credit card will be maintained in the Business Office and reported to the Board each year at its reorganizational meeting in July. Credit card users must take proper care of the credit card(s) and take all reasonable precautions against damage, loss, or theft. Any damage, loss or theft must be reported immediately to the Business Office and to the appropriate financial institution. Failure to take proper care of credit cards or failure to report damage, loss, or theft may subject the employee to financial liability.

Users must submit detailed documentation, including itemized receipts for services, travel, and/or other actual and necessary expenses which have been incurred in connection with school-related business for which the credit card has been used. Failure to provide a proper receipt can make the employee responsible for expenses incurred.

Credit Card Limits

The Charter School shall establish a credit line not to exceed \$10,000 for each card issued and an aggregate credit limit of \$20,000 for all cards issued to the Charter School.

Return of Credit Card

A Charter School employee who is no longer employed by the Charter School shall return the credit card upon termination to the Superintendent no later than five (5) calendar days after termination.

Misuse and/or Unauthorized Use

An employee who violates a provision of this policy shall have his or her credit card revoked immediately and shall be subject to disciplinary action as determined by the Superintendent and reported to local law enforcement. If the Superintendent violates a provision of this policy, he or she shall be subject to disciplinary action as determined by the Board and reported to local law enforcement.

### Additional Procedures

The Superintendent, in consultation with the Business Manager, may establish additional procedures governing the issuance and use of Charter School credit cards that do not contradict any part of this policy. Each cardholder shall be apprised of the procedures governing the use of the credit card and a copy of this policy and accompanying procedures shall be given to each cardholder.

Legal Reference: I.C. § 18-5701    Misuse of Public Money by Officers  
                  I.C. § 18-5703    Definitions

Policy History: Dennis Wilson, Don Dow

Adopted on: January 22, 2019

Revised on:

**Idaho Virtual High School**

**FINANCIAL MANAGEMENT**

**7440F**

Credit Card Holder Agreement

By my signature I hereby acknowledge that I have read and understand the Richard McKenna Charter School's credit card policy. Furthermore, I affirm that I will not use the credit card for personal reasons. I understand that a violation of this agreement may result in disciplinary action up to and including termination and possible legal action.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Position

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date Signed

**Federal Cash Management**

The Charter School will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the Charter School, in accordance with the Cash Management Improvement Act. Generally, the Charter School receives payment from the State Department of Education on a reimbursement basis.

However, if the Charter School receives an advance in federal grant funds, the Charter School will remit interest earned on the advanced payment quarterly to the federal agency. The Charter School may retain interest amounts up to \$500 per year for administrative expenses.

According to guidance from the U.S. Department of Education (USDE), when calculating the interest earned on USDE grant funds, regardless of the date of obligation, interest is calculated from the date that the federal funds are drawn down from the G5 system until the date on which those funds are disbursed by the Charter School.

Payment Methods

1. Reimbursements: The Charter School will initially charge federal grant expenditures to nonfederal funds.

The Charter School Grant Accountant or Business Manager will request reimbursement for actual expenditures incurred under the federal grants monthly. All reimbursements are based on actual disbursements, not on obligations. Reimbursement requests will be submitted on a Charter School form to the State Department of Education.

The Superintendent or his or her designee shall promulgate a procedure specifying any further requirements.

Consistent with state and federal requirements, the Charter School will maintain source documentation supporting the federal expenditures; such as invoices, time sheets, and payroll stubs; and will make such documentation available for the State Department of Education to review upon request.

Reimbursements of actual expenditures do not require interest calculations.

2. Advances: To the extent the Charter School receives advance payments of federal grant funds; the Charter School will strive to expend the federal funds on allowable expenditures as expeditiously as possible. Specifically, the Charter School shall attempt to expend all drawn downs of federal funds within 72 hours of receipt.

The Charter School will hold federal advance payments in interest-bearing accounts, unless an allowable exception applies. The Charter School will begin to calculate interest earned on cash balances once funds are deposited into the Charter School's account.

Interest will be calculated quarterly. Total federal grant cash balances will be calculated on cash balances per grant and applying the Charter School's average interest rate. Within 30 days of the end of the quarter, the Charter School will remit interest earned. The Charter School may retain up to \$500 of interest earned per year.

The Superintendent or his or her designee shall promulgate a procedure specifying the process for remitting interest.

Legal Reference:      2 CFR § 200.305  
                                 31 CFR § 205

Payment  
Rules and Procedures for Efficient Federal-  
State Funds Transfers

Policy History: Dennis Wilson, Don Dow  
Adopted on: January 22, 2019  
Revised on:

## **Idaho Virtual High School**

### **FINANCIAL MANAGEMENT**

#### **7600**

##### Declaration of Financial Emergency

This section and related Board policies shall apply in the instance of a financial emergency. However, any subsequently enacted statute or amendment to existing statutes shall control over this policy and replace this policy as well as all other related policies, procedures, and forms.

The Board of Directors is dedicated to sound and efficient financial management. Recognizing the limitations and fluctuations in funding and the potential negative impact on the Charter School's fiscal status due to historical revenue and/or expenditure issues, the Charter School must take specific action to ensure education remains the primary goal and responsibility of the Charter School. In the event the financial situation of the Charter School necessitates such action, the Board will consider a declaration of financial emergency.

Prior to declaring a financial emergency, the Board shall hold a public meeting for the purpose of receiving input concerning possible solutions to the financial problems facing the Charter School.

Legal Reference:	I.C. § 33-402	Notice Requirements
	I.C. § 33-515	Issuance of Renewable Contracts
	I.C. § 33-522	Financial Emergency
	I.C. § 33-801	School District Budget

Policy History: Dennis Wilson, Don Dow

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Revised on: