

## **Coastal Leadership Academy Financial Polices Accounts Payable Policy and Procedures**

### **POLICY:**

Only valid accounts payable transactions based on documented vendor invoices, receiving reports, or other approved documentation are recorded as accounts payable.

Vendors and suppliers are paid as their payment terms require, taking advantage of any discounts offered. If cash flow problems exist, payments are made on a greatest dependency/greatest need basis.

### **PROCEDURES:**

All disbursements of CLA funds must be made in accordance with CLA procedures outlined below. The CLA Finance Office is accountable to the taxpayers who provide these funds. CLA will contract with an external auditor to complete an audit each year to ensure that we are following established practices for making disbursements.

#### **Contracted Services**

IRS Form W-9 should be completed by individuals or organizations performing contracted services. Transactions for these services must be flagged in the accounting system as a 1099 invoice. This process will ensure that a 1099 is produced for these vendors. The Finance Office must receive and review a copy of all contracts for CLA prior to service engagement. Final contract approval by the Principal or the Board, depending on the terms of the agreement, is required prior to service engagement.

#### **Purchase Approval**

All CLA expenditures must be approved in writing. Purchase requests for supplies not exceeding \$500.00 in value may be approved by the immediate supervisor and the Finance Office. The Finance Office will provide the Principal monthly recap of the supplies purchased without prior approval. The Principal will review and approve or deny (if the purchase approved by the Finance Office violates any CLA policies or procedures) the monthly expenditures. Expenditures that violate CLA policy may be subject to repayment by the employee making the purchase.

All other expenditures must be approved with a Purchase Request by the Principal.

#### **Expense Reimbursements**

All expenditures must be handled with a purchase order through the Finance Office, approved by the Principal. In the event the normal process of obtaining goods or services is not feasible, CLA staff can seek reimbursement for the goods or services they purchased with personal payment method. All purchases must be approved in writing by the Principal, or his or her designee, prior to the purchase and cannot exceed \$250.00 in cost. When goods or services are being purchased by an individual, an *Expense Reimbursement Form* is required to seek reimbursement. A proof of purchase must be attached with the *Expense Reimbursement Form*.

Employees are asked to submit expenses as soon as they occur or within ten (10) business days from the day of purchase.

The processing time for a reimbursement is ten (10) business days.

### **Travel Reimbursement**

All CLA staff must follow the guidelines outlined in CLA's *Travel and Meal Policy* when conducting travel related expenses. To be eligible for reimbursement, all travel for CLA staff must be properly authorized. To claim expenditures, CLA staff must submit an *Expense Reimbursement Form* within ten (10) business days after returning from a travel. The *Expense Reimbursement Form* must contain expenses that actually occurred.

### **Invoices**

All invoices must be submitted to the Finance Office for processing. Invoices must contain the date of purchase, name and address of vendor, quantity and description of goods or services rendered, and the amount. All invoices must be reviewed and signed by the Principal and the Finance Office. The Principal and the Finance Office must review the invoice to confirm that the goods or services outlined on the invoice have been received by CLA. The Finance Office will process the invoice once confirmation is received.

### **Recurring Monthly Invoices**

Any recurring monthly invoices can be processed without signatures. Only the vendors that have active contracts or agreements on file with the Finance Office can be considered recurring. The Finance Office must review all recurring monthly invoices to ensure that the invoice matches the cost outlined in the contract.

The amount on the recurring monthly invoice must be comparable each month. Comparable is defined as no more than a difference of 05% in cost. The Finance Office and the Principal must review the recurring monthly invoice if a large difference is noted on the invoice. The Principal must sign off on the invoice and provide an explanation on the amount difference.

### **Bill.Com**

CLA will process all invoices in Bill.Com. All invoices must be approved in Bill.Com by the Principal and the Finance Office prior to payment. Once the invoice is approved in Bill.Com, CLA's financial services provider can proceed with the payment.

### **Manual Checks**

Payments can be made to individuals or organizations via a manual check. This method is used when the due date on the invoice cannot be met using the normal process. The invoice requiring a manual check MUST be signed by the Principal and the Finance Office.

After the payment, a copy of the invoice and manual check must be submitted to Bill.Com for storage and audit trail.

### **Credit Card**

Credit card statements will be processed monthly. All CLA staff must follow the guidelines outlined in CLA's *Credit/Debit Card Usage Policy*. Each cardholder is responsible for submitting all receipts

associated with the charges on the credit card. The Finance Office will review all credit card statements to ensure that all receipts associated with the statement are on file.

*A Missing Receipt Affidavit* is required for any lost or missing receipts.

### **Responsibility of the Finance Office and CLA's Financial Services Provider**

The Finance Office, along with CLA's financial services provider, are responsible for the following to ensure that best practices and procedures are met:

- Maintaining files on all purchase orders for CLA
- Entering all accounts payable information in CLA's accounting software
- Writing all checks for CLA, including special services, and maintaining all information in CLA's accounting software
- Providing expenditure records monthly
- Maintaining accurate account ledgers
- Preparing monthly financial statements
- Maintaining files on accounting data
- Reconciling accounts payable bank statements monthly

### **Cash Receipt Policy and Procedures**

#### **POLICY:**

To establish the basic structure for receiving payment for CLA under the direction of the Board of Directors at CLA.

#### **PROCEDURES:**

##### **General Information**

All CLA funds deposits must be made in accordance with CLA procedures outlined below. The CLA Board of Directors will contract with an external auditor to complete an audit each year to ensure that we are following established practices for recording funding.

##### **Cash Receipt**

Payment made out to CLA must be recorded in SmartFusion. CLA accepts payment via two methods, ACH and check. ACH is typically used by SCDE and the State Treasurer's Office to process funding for schools. Check is used by most other categories.

After receipt of check payment, a copy of the check must be retained for record. After making the deposit, a copy of the deposit slip must be attached to the Cash Receipt entry. Checks must be deposited into the Deposit Account with 48 hours of receiving the check.

##### **Cash Receipt Procedures**

Enter Deposits

1. In Fund Ledger Module, select Cash Receipts, Enter/Edit Cash Receipts, New
2. Enter description of the deposit in Note

3. Enter Cash Account Number: Deposit Account
4. Enter Total Deposit
5. Enter Fund Ledger Account
6. Select Finish
7. In Fund Ledger Module, select Print Cash Receipts Register
8. Enter deposit date range
9. Select Print Preview and review
10. Select Print
11. In Fund Ledger Module, select Post Receipts to Ledger
12. Select Print and Post
13. Enter deposit date range
14. Select Print Preview and review
15. Select Print

### **Responsibility of the Finance Office and Fiscal Services Provider**

CLA's Finance Office and Fiscal Services Provider are responsible for the following to ensure that best practices and procedures are met:

- Maintaining files on all funding for CLA
- Entering all cash receipt in CLA's accounting software
- Recording all revenue for CLA, including special services, and maintains all information CLA's accounting software
- Providing revenue records monthly
- Maintaining accurate account ledgers
- Preparing monthly financial statements
- Maintaining files on accounting data
- Reconciling bank statements monthly

### **Fixed Assets Policy and Procedures**

#### **POLICY:**

CLA is responsible for setting up a system to maintain an accurate inventory of materials and equipment with accounting standards and all state and federal laws governing such.

#### **PROCEDURES:**

##### **General Information**

A fixed asset is defined as a building, property or equipment acquired by CLA that is actively used in school operations, must have significant value, and provides benefit for a period exceeding one year. Fixed assets are reported and, with certain exceptions, depreciated in the financial statements.

Items purchased at a cost up to the federal capitalization rate (currently \$5,000) will be considered supplies and expensed in the 400 series object code. However, single items costing \$2,500 or more and having one year or more expectancy (technology equipment and software, such as laptops, desktops, LCD projectors, iPads, computers, etc.), even though expensed as supplies, will be included in CLA's inventory tracking system but are not considered fixed assets and will not be capitalized or depreciated.

## **Fixed Asset Classifications**

Fixed Assets will be divided into the following classifications: Land, Land Improvements, Buildings, Building Improvements, Machinery and Equipment, Licensed Vehicles, Textbooks and Library Books, Mobile Classrooms, and Construction in Progress.

### ***Land***

The land account includes all land purchased or otherwise acquired. It should be capitalized but not depreciated. Purchased land should be carried on the records at historical cost and should remain at that cost until disposal. Donated land should be recorded at its appraised value at the time of the donation. If land and a building are acquired as a single parcel, then the value of the land should be determined separately from the building and only that amount carried in the land account; the value of the building should be recorded in the building account. Costs relating to the demolition of a structure on newly purchased land and other costs relating to the land are normally capitalized and included in the land account. A gain or loss on the sale of land is reported as a special item in the statement of activities.

### ***Land Improvements***

Land improvements include permanent improvements that add value to land and include such items as site improvements (e.g., excavation, fencing, and retaining walls) and some infrastructures (e.g., driveways, roads, sidewalks, bridges, parking lots, and outdoor lighting). If items categorized as infrastructure are purchased during the construction of a new building, then they will be included in the cost of the building. Items *not included* in land improvements are landscaping, demolition, and land acquisition. These would be included in the land account. Other items not included in land improvements are picnic tables and stadium bleachers. These are included in machinery and equipment.

### ***Buildings***

The buildings account normally includes the value of all buildings at their acquisition costs or construction costs. The cost should include all charges applicable to the building, including broker fees, architect's fees, permits, and interest on borrowed money during construction. For a donated building, appraised fair market value at the date of donation should be used. In addition, buildings include components (e.g., roof, air conditioning system) that should be recorded separately when they have significant values because these building components have different useful lives. The value of each component should be determined and placed within its own category. A building will be added to fixed assets inventory after all costs have been calculated and final payment has been made to the contractors.

### ***Building Improvements***

Improvements that extend the useful life of the building should be classified as building improvements and should be capitalized. They are recorded at either acquisition cost or appraised fair market value in cases of donated assets. Examples of building improvements include roofing projects, remodeling, additions to buildings and replacing major building components. Major maintenance projects should be evaluated periodically to determine if they should be included in this account.

### ***Machinery and Equipment***

Machinery and equipment include a wide range of assets. A few examples are as follows: furniture, computer equipment, office machinery, athletic equipment, uniforms, etc. The property should be recorded at acquisition cost, including freight, installation and other charges incurred to place the asset into use. If acquired through donation, then fair market value should be determined and assigned to the asset. The asset's materiality and significance should be considered when determining how it is reported.

### ***Licensed Vehicles***

Licensed vehicles include buses, vans, cars, trucks, utility trailer, etc. All licensed vehicles should be recorded at acquisition cost or fair market value if donated.

### ***Textbooks and library books***

Textbooks and library books will not be classified as fixed assets due to the capitalization policy.

### ***Mobile Classrooms***

Mobile classrooms are temporary structures added to the building site. They are of significant value and should be recorded as a fixed asset and depreciated over their useful lives.

### ***Construction in Progress***

This account should be used when reporting amounts expended on an uncompleted building or other capital construction project. Construction in progress should not be depreciated. Three subclasses, such as building, improvements, and equipment, might be used. When the project is complete, the cumulative costs are transferred to another appropriate fixed asset account. Unspent debt proceeds from capital assets related debt should be reported in the net assets section of the statement of net assets as "restricted for capital projects."

### ***Works of Art and Historical Treasures***

Works of art and historical treasures should be recorded at historical costs or, if donated, fair market value. Depreciation is not required for collections or works of art that are inexhaustible. An example of a work of art might be an original painting.

### **Capitalization Policy**

Capitalization is an accounting method used to delay the recognition of expenses by recording the expense as long-term assets. The capitalization of assets acquired by CLA shall equal the Federal capitalization rate (currently \$5,000). All additions to fixed assets with an individual value greater than or equal to the capitalization rate will be capitalized and depreciated, if applicable. An exception to this is as follows and will be capitalized when applicable to a single location:

- groups/classes of assets where individual asset items are less than the capitalization limit, but when all assets of that group (that function as one asset) are added together the dollar amount far exceeds the capitalization limit (e.g., security systems, public address systems, etc.).

Items purchased at a cost up to the federal capitalization rate will be considered as supplies and expensed in the 400 series object code. However, single items costing \$2,500 or more and having a

life expectancy of at least one year or technology equipment and software, such as laptops, desktops, LCD projectors, iPads, computers, etc., even though expensed as supplies, will be included in CLA's inventory tracking system, but are not considered fixed assets.

- Regular non-technology equipment costing less than \$5,000 per unit should be recorded under the 400 series object code.
- Regular non-technology equipment costing \$5,000 or more per unit should be recorded under object code 540.
- Any technology equipment costing less than \$5,000 per unit including shipping, handling, tax, etc. should be recorded under object code 445.
- Any technology equipment costing \$5,000 or more per unit including shipping, handling, tax, etc. should be recorded under object code 545.

## **Depreciation**

All fixed assets, with the exception of land, will be depreciated. Depreciation is the process of allocating the cost of tangible property over a period of time, rather than deducting the cost as an expense in the year of acquisition. The decline in the value of fixed assets must be considered if CLA's net assets are to be correctly stated. It shall be the policy of CLA to depreciate fixed assets in excess of the federal capitalization rate (currently \$5,000) over their useful lives. Factors which must be known in order to calculate depreciation: the date the asset was placed in service, the asset's cost or acquisition value, estimated useful life, and the depreciation method.

## **Date Placed into Service**

When acquiring a new asset, the date placed into service will be easily determined. When adding an asset to CLA's records that was already placed into service but omitted from the Fixed Assets Inventory, this date may not be readily available. Assigning an estimated date will be sufficient.

## **Cost or Acquisition Value**

Fixed assets should be reported at historical cost and should include the cost of freight, site preparation, architect and engineering fees, etc. If something other than cash is used to pay for the asset, then the fair market value of the non-cash payment or consideration determines the asset's cost or acquisition value. If the asset is of significant value (e.g., land or building), an appraisal will be needed to determine its value. In situations where assets are identified that have been omitted from the Fixed Assets Inventory, the historical cost may be researched. If there is no information available on the original cost of the asset, the amount will then be estimated based on the values of similar assets.

## **Estimated Useful Life**

The estimated useful life of an asset is the number of months or years that an asset will be able to be used for the purpose for which it was intended.

## **Depreciation Method**

The straight-line method of depreciation will be used to calculate depreciation on CLA's fixed assets. The annual depreciation will be calculated by dividing by the estimated useful life. Under this method, the asset is written off evenly over its useful life (i.e., the depreciation is the same every year). The total amount depreciated can never exceed the asset's historic cost. An asset placed in service at any time during a given month is treated as if it had been placed in service on the first day

of that month (depreciation taken for the entire month in which the asset is placed in service). If disposed of before the end of the month, then no depreciation is taken for the month of disposition.

## **Fixed Assets Inventory Procedures**

The Principal, or his or her designee, should complete a physical inventory at the beginning and end of each school year. A copy of these inventories will be due to the Institute as requested. This inventory does not include items captured during the Institute's contracted fixed asset visit. The Institute contracted fixed asset visit includes would be printers, computers, iPads, tablets, laptops, digital cameras, LCD projectors, or any asset that received a barcode label.

## **Disposals, Transfers, And Stolen Assets**

Disposals and transfers of unserviceable equipment and fixed assets should only occur after proper authorization by the Principal. This procedure is to maintain the accuracy of the records, ensure the assets are properly safeguarded, and obtain the best possible terms upon disposal. In many cases, parts from an asset to be disposed of may be salvaged and used with an existing asset or saved for future utilization. Any computer tape, disk (hard drive, CD or floppy), tablets, laptops, servers or other storage medium used to store the school's and students' data must be totally erased or rendered unreadable before it is disposed. This is the sole responsibility of the Principal and not the Charter Institute at Erskine's Department of PowerSchool and Technology. *No asset should be disposed of or transferred without proper authorization by the Principal.*

Surplus supplies, property purchased with state and/or federal funding, and donated items shall be offered to the Charter Institute of Erskine to see if the item(s) can be transferred to another school for further use. The Assistant Director of Finance will send out a mass email to all school leaders with the item information, location, and whom should be contacted if interested. At that time, the school leaders should then work with one another to create arrangements. The school that is transferring the assets should remove the item(s) from their inventory records and the school that will be receiving the items should then add the item(s) to their inventory records. If the asset falls within the \$5000 threshold and/or technology items(s), then during the contracted fixed asset visit the asset will be automatically transferred within the Institute's Masterfile. If no schools under the current sponsor, are interested in the item(s), the item(s) may be offered to charter schools under other sponsors before disposing or transferring to a non-charter school 501(c)(3).

The Principal is required to complete the Fixed Assets Disposals form and return it to the Institute's Assistant Director of Finance at the time of disposal. In the case that assets are misplaced or stolen from the school's property, it is the Principal's responsibility to provide written justification to the Charter Institute at Erskine's Assistant Director of Finance for removal of the inventory out of the Institute's Masterfile. If item(s) are reported stolen, then local authorities should be contacted immediately and a police report should be filed with a copy being attached to the Fixed Assets Disposals form.

## **Technology Procedures**

### **General Information**

The Principal may issue business equipment to an employee for work-related communication based on the job duties of the employee and the needs of CLA. Employees in possession of CLA-owned devices are expected to protect the equipment from loss, damage, or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the devices for return or inspection.



## **Purchase of Technology Devices**

All technology purchases must be made in alignment with CLA's Accounts Payable Policy, Procurement Policy, and Credit/Debit Card Policy. When purchasing devices, CLA must take into consideration the cost of the device and ensure that the purchase is to the advantage of CLA. CLA must review and accept all promotional and saving deals into consideration prior to authorizing purchases. All purchases must be approved by the Principal prior to purchase.

## **Disposal**

CLA will offer the device first to the employee and/or fellow staff members once the device's value is depreciated in full. Devices that are no longer in use and are not fully depreciated may be purchased for the current depreciated value by a member of the CLA staff. Any remaining devices can be donated to a qualified 501(c)(3) organization if eligible.

## **Fraud Prevention Policy and Procedure**

CLA is committed to ensuring that fraudulent behavior and/or misconduct is prevented, conflicts of interest are avoided, and systems are in place to deter and/or identify corrupt activities.

This policy applies to employees, contractors, vendors, and their respective employees, contractors, subcontractors, or agents (collectively "Relevant Parties") that are employed by, contracted, provide services to, or work with CLA.

Fraudulent behavior and/or misconduct could include dishonest activity in which a Relevant Party acts contrary to the interests of CLA by abusing his or her position in order to achieve some personal gain or advantage that is contrary to CLA's best interests or that results in a disadvantage or loss to CLA. Further, fraudulent behavior and/or misconduct could include the redirection of goods or services for personal use, inappropriate arrangements with contractors and other third parties, and/or theft or misappropriation of CLA's assets or finances. Ultimately, the determination of whether conduct meets the definition of fraud and/or other types of misconduct will be made with reference to applicable laws and standards.

If an employee or a Board member receives a report of alleged fraudulent activity and/or misconduct, he or she will notify the Board Chair as soon as possible. If circumstances warrant, the Board Chair may call an emergency or special-called meeting in compliance with the South Carolina Freedom of Information Act. Upon receipt of a report of suspected fraudulent behavior or misconduct, the Board has the authority to investigate the report and retain a third-party auditor to conduct a review of the relevant records. Upon receiving the results of any audit and/or making findings in connection with the investigation of the report, CLA will work with its legal counsel to determine what action(s), if any, are necessary.

If it is determined that fraud or other misconduct has occurred, CLA may terminate the employee(s), contractor(s), and/or vendor(s) as appropriate. The Board, in consultation with legal counsel, will consider all reasonable avenues available for recovering any funds lost or compensation for other losses. Due consideration will be given to the likely benefits of a recovery action exceeding the funds and/or resources required for the recovery action. CLA may report allegations of potential fraud or misconduct to law enforcement at any time.

## **Payroll Policy and Procedures**

### **POLICY:**

To establish the basic structure for payment of salaries for CLA employees under the direction of the Board of Directors. Payroll must be approved by the Finance Office prior to processing.

### **PROCEDURES:**

#### **Pay Cycle**

Details regarding pay cycle will be included in an employee's employment agreement.

#### **Payday**

A payday schedule is sent to staff yearly.

#### **Non-exempt Employees**

Time for non-exempt employees shall be properly recorded by the employee, approved by the supervisor, and reported to the Finance Office or designated representative. The employee shall obtain prior written approval from his or her supervisor before working any overtime hours. The Finance must verify all individual timesheets and provide authorization for the financial service/HR provider to process payroll.

#### **Change in Payrate**

All employee payroll amounts are calculated based upon approved rates included in the employment contract. Any changes to the pay rates or benefits must be approved by the Board.

#### **Payroll Taxes**

All payroll taxes and benefits shall be properly calculated, and any deposits shall be made in a timely manner. Further, all payroll tax reports are prepared in a timely manner.

#### **Method of Pay**

CLA requires direct deposit for all employees. Any exception to direct deposit must be approved in writing by the Principal.

## **Procurement Policy and Procedures**

### **Purchases**

This policy applies to purchases for goods and services, except those purchases that are exempted as outlined below.

Purchases not exceeding **five thousand dollars (\$5,000.00)** may be accomplished without a competitive process if the prices are reasonable and appropriate due diligence has been completed. CLA shall annotate the purchase requisition as follows: "Price is fair and reasonable" and sign such

purchase requisition. Such purchases shall be made from qualified suppliers. The Board, the management consultant and the Principal shall all have authority to approve the purchase.

Purchases from **five thousand and 1/100 dollars (\$5,000.01) to twenty thousand dollars (\$20,000.00)** may be accomplished if written quotes from a minimum of three (3) qualified sources of supply are obtained (if possible) and it is documented that the procurement is advantageous to CLA, price and other factors considered. Such documentation shall be attached to the purchase requisition. If it is not possible to get three (3) quotes, the reason should be explained in writing. When prices are solicited by telephone, the vendors shall be requested to furnish written evidence of the quote. The Board, management consultant and the Principal shall all have authority to approve the purchase.

Purchases from **twenty thousand and 1/100 dollars (\$20,000.01) to fifty thousand dollars (\$50,000.00)** may be accomplished if written quotes from three (3) qualified sources of supply are obtained (if possible) and it is documented that the procurement is advantageous to CLA, price and other factors considered. Such documentation shall be attached to the purchase requisition. If it is not possible to get three (3) quotes, the reason should be explained in writing. When prices are solicited by telephone the vendors shall be requested to furnish written evidence of the quote. The purchase must be approved by the Board.

Purchases in excess of **fifty thousand dollars (\$50,000.01)** are required to follow either the Request for Proposal or Request for Qualifications, as appropriate. Purchases at or below fifty thousand (\$50,000.00) may use the RFP or RFQ procedures as appropriate. The purchase must be approved by the Board.

### **Federal Fund Procurement**

CLA will follow the procurement process outlined above unless the specific federal funding source requires a more restrictive procurement process for expenditures. CLA will also comply with all federal laws and regulations that are mandatory and that are not otherwise contained herein.

### **Exempted Purchases**

CLA may exempt specific supplies or services from this policy. The following supplies and services are exempted from this policy:

- A. Books, periodicals, newspapers, technical pamphlets, standardized tests and other testing materials, copyrighted educational materials
- B. Public utilities, such as electricity, water or sewer
- C. Workshops, seminars, and conferences
- D. Professional journals
- E. Employment
- F. Taxes, social security, annuities, and credit unions
- G. Life insurance, health insurance or supplemental insurance
- H. Refunds on health insurance
- I. Professional dues, registration and membership fees
- J. Diplomas
- K. U.S. postage stamps and post office boxes
- L. Graphic Design
- M. Professional Training
- N. Related services for Special Education
- O. Temporary Facility Rentals

## **Sole Source Procurement**

This method of procurement is the least competitive and, therefore, should have limited use, however, where CLA's needs can only be met by one method, means, or item, sole source is an appropriate and necessary method of procurement. Such determination as to whether a procurement shall be made as a sole source shall be made by CLA and the basis thereof shall be in writing to include an explanation as to why no other source will be suitable or acceptable to meet the need.

## **Emergency Procurement**

Notwithstanding any other provision of this policy, CLA may make or authorize others to make emergency procurements when there exists a threat to public health, welfare or safety under emergency conditions, or where normal daily operations are affected; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination shall be made stating the basis for an emergency procurement and for the selection of the particular vendor. Emergency procurements shall be limited to that of supplies, services, or construction items necessary to meet the emergency. Such procurement shall be presented to the Board at its next regularly scheduled Board meeting.

## **Competitive Sealed Proposal**

The ultimate purpose of this method of procurement is to provide flexibility to CLA while taking into consideration various options and the costs of each. Proposals shall be solicited through a request for proposals. While price is an important factor, it is considered less significant than fully meeting CLA's needs.

## **Request for Proposal**

The request for proposal should include the following:

- Instructions and information to vendors concerning the proposal submission requirements, including the time and date set for receipt of the proposal, the individual to whom the proposal is to be submitted, the address of the office to which proposal is to be delivered, and any other special information
- The purchase description, specifications, delivery and performance schedule, and such inspection and acceptance requirements that are not included in the purchase descriptions
- Contract terms and conditions, including warranty and bonding or other security requirements as applicable

Notice of the request for proposal may include publication on CLA's website or on [scbo.sc.gov](http://scbo.sc.gov).

## **Request for Qualifications**

CLA may issue a request for qualifications, experience, and ability to perform the requirements of the contract from prospective offerors. At a minimum, the request shall contain a description of the goods or services to be solicited by the invitation for proposal and the general scope of the work. The request shall also contain the deadline for submission of information and how prospective offerors may apply for consideration.

As provided in the request for proposals, negotiations may be conducted with any offeror submitting a proposal appearing to be eligible for contract award pursuant to the selection criteria set forth in the request for proposals.

The request for proposals shall state the evaluation factors. Each responsive proposal shall be evaluated. The proposals shall then be ranked in accordance with the results of such evaluation.

The award shall be made to the offeror whose proposal is determined to be the most advantageous to CLA, taking into consideration the evaluation factors set forth in the request for proposals.

### **Documentation for Purchases**

Written contracts clearly defining work to be performed will be maintained for all contract service providers.

In addition to the requirement listed above, service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and worker's compensation insurance currently in effect. The Principal and/or Board may also require that service providers list the school as an additional insured. If the contract service provider is a sole proprietor or a partnership (including LP, and LLP), the operations manager will obtain a W-9 from the contract service provider prior to submitting any requests for payments.

### **Conflict of Interest**

All procurement matters in which a possible conflict of interest may exist shall be handled in accordance with the South Carolina State Ethics Commission Rules of Conduct, which are set forth by statute at S.C. Code Ann. § 8-13-700 et seq.

- a. As the school employee wishes to not stay overnight, the Institute will only reimburse mileage up to the GSA rate for lodging in Columbia, SC with the exemption of the first and last days of trainings/mandatory meetings.
- b. Maximum mileage reimbursement will be the distance from the school address to Institute.

## **Mileage Reimbursement**

1. The Institute will only reimburse the mileage for school staff that are required to attend the trainings required by the responsible department at the Institute. The Institute will reimburse a maximum of one car per school.
2. If the individual attending the training/mandatory meeting lives within 50 miles round trip from the Institute, then he/she will not receive mileage reimbursement
  - a. For an employee excluding the school leader(s) of a virtual school that lives greater than 50 miles to and from the Institute or the training location, the employee will qualify for mileage reimbursement.
  - b. School leader(s) will not be able to seek mileage reimbursement.
3. Multi-day trainings/mandatory meetings will be reimbursed for 1 round trip greater than 50 miles at the current mileage rate used by the Institute.
  - a. For multi-day trainings/mandatory meetings, one hotel room per school will be reimbursed. The Institute team members will notify the schools if the Institute will be paying for the hotel room.
  - b. Mileage will be reimbursed from the school address to the Institute on the first day, and mileage will be reimbursed from the Institute to the school address on the last day if the school employees choose to not stay in a hotel. Maximum mileage reimbursement will be the distance from the school address to the training location.
4. If an individual attending the training/mandatory meeting is employed by a brick and mortar school within 50 miles round trip from the Institute, then he/she will not receive mileage reimbursement.
5. If an individual attending the training/mandatory meeting is employed by a virtual school and lives within 50 miles round trip from the Institute, then he/she will not receive mileage reimbursement.

## **Prohibited reimbursements include:**

1. Entertainment Expenses (e.g. in room movies)
2. Alcoholic beverages
3. Tobacco Products
4. Parking and other unrelated expenses
5. Expenses incurred for schools visiting the Institute to attend meetings that are related to oversight duties (such as compliance review, charter contract violations, etc.) will not be reimbursed
6. Schools requesting additional training or to seek one-on-one assistance will not be reimbursed

\*Reimbursements are **only allowable** for school employees  
*Underline and text in bold for emphasis only.*

## **Documentation of Expenses**

Institute team members will be responsible for providing documentation for the following expenses when seeking reimbursements for schools within 10 business days from the date of the

training:

- Program/Agenda of the meeting
- School Training Pre-Authorization Form
- Institute Expense Reimbursement Request
  - Signed by the immediate supervisor
  - As applicable signed by respective Federal Programs contact
  - Reviewed by the Federal Programs Finance Coordinator
  - Signed by the Director and the CEO
  - Signed by Institute Finance Director
- As applicable a travel map summary to show the number of miles
- Receipts (Need prior approval from the Director and the CEO)
  - Hotel/Motel Receipt with “-0-“ balance

### **Signature and Requisition Authority Policy and Procedures**

#### **POLICY:**

This policy is intended to ensure that commitments of CLA resources are properly reviewed and approved by authorized personnel.

#### **PROCEDURES:**

##### **General Information**

Authorized signers and requisitioners under this policy are responsible for ensuring that:

- Where required, review and approval has been obtained;
- The transaction and its terms are consistent with CLA’s program objectives and budgetary authorizations, legal requirements, procurement policies, and the terms of restricted funds (if applicable); and
- There is no real or perceived conflict of interest on the part of any individual or organization involved in the transaction or, where a real or perceived conflict of interest does exist, the issue has been resolved prior to entering into the transaction, as required by CLA’s Conflict of Interest Policy. Resolution of any real or perceived conflict should be documented in writing and kept on file by the responsible department.

##### **Signature and Requisition Authority**

The Principal, Board Chair, and Board Treasurer hold signature and requisition authority with respect to all educational, financial, and administrative matters pertaining to CLA. These persons may delegate in writing such authority to other employees for specified transactions. All designees must follow up with the Principal verbally to prevent fraud and/or scam.

## **Audit Trail**

To create an adequate audit trail, approvals shall be memorialized in a memorandum, e-mail, or other document that is maintained with the file concerning the transaction. Such documents should be stored and retained (whether in paper or electronic form) by the responsible department and the Finance Office.

## **Unauthorized Signers and Requisitioners**

Individuals who purport to enter into contracts or financial commitments on behalf of CLA without authority may be personally liable for such contracts or commitments, whether oral or written. Individuals who enter into unauthorized contracts or commitments may also be subject to disciplinary action, up to and including termination of employment or removal from the Board.

## **Travel and Meals Policy and Procedures**

All CLA travel expenses incurred by CLA employees must receive prior approval by either the Principal or the Board Chair or Board Treasurer (if the expenses are incurred by the Principal).

If federal funds are being used for travel and expenses, additional measures will be taken as outlined in this document.

### **PRIOR TRIP EXPENSES:**

#### **Registration**

CLA will pay the registration fee in advance for attendance at prior approved conference(s), seminar(s), or workshop(s). Any meal included in the registration fee cannot be claimed on an expense report even if the traveler chooses not to partake of the meal. An itinerary should be attached to all expense reports that request per diem.

#### **Transportation**

All flights should be booked in advance using a CLA credit/debit card. If the traveler elects to book their flight expenses on their personal credit/debit card, then the traveler will not be reimbursed for flight expenses until returning from travel.

#### **Lodging**

CLA will pay for hotel lodging in advance for attendance at prior approved conference(s), seminar(s), or workshop(s). All lodging should be booked using a CLA credit/debit card. If traveler elects to book their lodging expenses on their personal credit/debit card, then the traveler will not be reimbursed for the lodging expenses until the return from travel. Hotel reimbursements for one-day meetings will not be reimbursed unless arrangements have been pre-approved with the



Principal and/or Board Chair. Hotel lodging may be paid for the day before a one-day or multiple-day conference, seminar, or workshop only if the program starts at or before 8:00 am and the travel time is two and a half hours or more.

Staff members have to check the maximum funds that can be expended for lodging using the US General Services Administration website.

If the hotel/lodging is at the same place as the conference, seminar, or workshop, the total amount of the hotel/lodging will be allowed upon approval by the Principal.

If the hotel/lodging is not at the place or not provided by the conference, seminar, or workshop, the staff has to indicate it on the Travel Authorization Form and get approved by the Principal.

**POST TRIP REIMBURSEMENTS:**

**Per Diem**

CLA will not issue travel reimbursement for travel less than an hour away from the school. Maximum reimbursable amounts are as follows:

<b>MEALS</b>	<b>DEPART BEFORE</b>	<b>RETURN AFTER</b>	<b>IN-STATE</b>	<b>OUT-OF-STATE</b>
Breakfast	6:30 AM	11:00 AM	\$6.00	\$7.00
Lunch	11:00 AM	1:30 PM	\$7.00	\$9.00
Dinner	5:15 PM	8:30 PM	\$12.00	\$16.00
<b>MAXIMUM DAILY ALLOWANCE</b>			\$25.00	\$32.00

\*subject to change throughout the year

Staff members who are required to work after 5:00 pm to attend a scheduled meeting can seek reimbursements for a per diem meal. The staff must provide the agenda/program or the meeting invitation along with the approval of the Principal to seek reimbursement. Federal funds will not be used for these expenses.

**Mileage Reimbursement**

Reimbursement for mileage is allowable at the rate on the CLA expense form and will be allowed for the use of an employee’s personal vehicle while on approved CLA business when the travel exceeds 50 miles round trip. Mileage will not be reimbursed for employees traveling to and from work regardless of their home location.

For employees attending a one day or multi-day conferences/workshops, mileage will not be reimbursed for driving from a hotel to the conference or travel to get meals, unless approved in writing by the Principal or Board Chair if Principal.

When possible, staff are expected to travel in a group when multiple members are traveling to the same destination.

### **Traveling Covered By Federal Funds**

Staff members traveling on federal program projects will follow the same CLA mileage policy in addition to the below:

- If expenses will be paid by federal funds for lodging, the staff has to check the maximum funds that can be expended for lodging using the US General Services Administration website: <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

If the hotel/lodging is at the same place as the conference, seminar, or workshop, the total amount of the hotel/lodging will be allowed upon approval by the Finance Office.

If the hotel/lodging is not at the same place the conference, seminar, or workshop, the staff must indicate it on the Travel Authorization Form and get approved from the Finance Office.

### **Driving in Lieu of Airline Travel**

When the most economical means of transportation is an airline flight and the employee elects to travel by personal vehicle, mileage reimbursement will not exceed the price of airfare for a round-trip coach ticket and a rental car (if applicable).

### **Family/Friends Accompanying Employee**

If an employee will be accompanied by family or friends on an authorized business trip, only those expenses directly attributed to the employee may be reimbursed.

### **Documentation of Expenses**

Employees must provide documentation for the following expenses:

- Program/Agenda of the meeting
- CLA Expense Reimbursement Form
- As applicable a travel map summary to show the number of miles
- Receipts
  - Hotel/Motel Receipt with “-0-“ balance
  - Registration receipt
  - Parking receipts
  - Boat or Train fare receipt
  - Air Transportation receipt
  - Toll receipts
  - Bus ticket
  - Taxi receipt
  - Rental Car

- Meals

### **Prohibited Reimbursements**

Employees will not be reimbursed for the following expenses:

- Entertainment Expenses (i.e. in-room movies)
- Alcoholic beverages
- Tobacco Products

### **CLA Credit/Debit Card Usage During Travel**

Allowable expenses that may be made with CLA's credit/debit card includes gas for the rental car, baggage fees, transportation, and preapproved transaction(s). Food, alcohol beverage, tobacco products, and luxury accommodations unnecessary or unjustified in the performance of the travel are not considered acceptable or allowable. All receipts for transactions made with the credit/debit card during the travel must be submitted along with the expense reimbursement form with appropriate signatures to the Finance Office upon returning from the trip.

### **Staff Lunches and Dinners**

To increase staff morale and retain highly skilled staff, CLA may, at its expense, conduct lunch meetings at the discretion of its Principal or Board Only on rare circumstances and with proper judgment, will staff meet for dinner. These expenses will contain no cost for entertainment, alcohol, and tobacco. Federal funds will not be used for these expenses.

At the discretion of the Principal or Board, CLA may conduct lunch meetings at its expense to celebrate major accomplishments or events.

At the discretion of the Principal or Board, CLA may pay for lunches as a result back to back meetings.

### **Staff Reimbursement Process**

- The employee is responsible to complete the Expense Reimbursement Form within ten (10) business days from the date of purchase.
- The employee will submit the completed reimbursement form to the Financial Office.
- The Financial Office will verify the information on the form
- The Financial Office will collect signatures on the verified expense reimbursement forms from the Principal.
- The Finance Office will submit the approved expense reimbursement form to the Principal for final approval and payment.

## **Credit/Debit Card Usage Policy and Procedures**

The CLA Board recognizes the value of credit/debit cards as an efficient method of payment and record keeping. The Board, therefore, authorizes the use of credit/debit cards.

CLA credit/debit cards shall only be used in connection with Board-approved or school-related activities. Any use of CLA credit/debit cards that violate South Carolina law or Board policy and procedures may result in disciplinary action, up to and including termination of employment, personal responsibility for any and all charges, including finance charges and fees assessed in connection with late payment resulting from such use, and/or possible referral to law enforcement authorities.

The Board directs the Principal to determine and specify those employees authorized to use credit/debit cards. The Principal shall be responsible for giving direction to and supervising such employees' use of credit/debit cards. When returning a CLA credit/debit card, all receipts for related purchases must be submitted.

If credit/debit cards are issued, they should be assigned to certain employees and should be used only for school-related expenditures. All charges must be supported by receipts or invoices to be eligible for payment by CLA.

Monthly credit/debit card statements must be reconciled by the Finance Office and approved by the Principal.

### **Prohibited Purchases**

- Under no circumstances shall credit/debit cards be used for the purchase of alcoholic beverages, regardless of whether the purchase of such beverages is made in connection with a meal.
- No personal purchases of any kind (personal purchases are defined as purchases of goods intended for non-work-related use or use other than official CLA business).
- Cash advances including use of the card or card number at Automated Teller Machines (ATMs), inside bank branches or at cash advance, quasi-cash and money transfer locations such as Western Union, Telecheck, etc.
- Tobacco products.
- Consultant and Contractor services.

### **Limitations**

- The Principal and the Finance Office shall not use a CLA credit/debit card for any single transaction that exceeds \$5,000.00. The monthly limit per card will be determined by the Principal and may be adjusted as determined by demonstrated need.
- Splitting a single transaction into several transactions to avoid the prescribed spending limits is specifically forbidden.

- When returning or exchanging items purchased with CLA credit/debit cards, the cardholder may not receive cash back. Any credit/debit balance after a return or exchange must be applied to the CLA credit/debit card account.

## **Security**

The CLA credit/debit card should be maintained in a secure location and the card account number should be carefully guarded. The assigned Cardholder should assure that all credit/debit card purchases are made in accordance with CLA's credit/debit card procedure and credit/debit cards are properly issued and secured.

Cardholders must report a lost/stolen card to the credit company within 24 hours. Cardholder must also notify the Principal who will follow up with the credit card company to ensure that the account has been closed.

## **Travel Credit/Debit Card Usage**

When travel has been approved in compliance with procedure, an employee may charge the following travel related transactions on CLA credit/debit cards:

- Registration
- Airline Ticket
- Hotel
- Parking
- Taxi/Shuttle/Uber/Lyft
- Vehicle Escort Services
- Rental Car

Meals and Mileage shall be claimed as per diem expenses and filed on a Travel Expense form.

## **Gratuities**

CLA may occasionally purchase meals for team members in alignment with CLA *Travel and Meal Policy*. Such expenses can be paid with CLA's credit card. Gratuities may not exceed 20% of the cost of meal.

## **Reconciliation and Approval of Billing**

The Finance Office will print a monthly statement for each cardholder. Each cardholder must review and provide all receipts associated with the statement. After review, the cardholder must approve the statement with their signature and forward to the Finance Office for payment no later than five (5) business days after receiving the statement.