



Fiscal Policies and Procedures Handbook

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OVERVIEW

The Governing Board of BLUE OAK CHARTER SCHOOL has reviewed and adopted the following policies and procedures to ensure the most effective use of the funds of BLUE OAK CHARTER SCHOOL to support the mission and to ensure that the funds are budgeted, accounted for, expended, and maintained appropriately.

The Governing Board formulates financial policies and procedures, delegates administration of the policies and procedures to the Executive Director and reviews operations and activities on a regular basis.

The Executive Director has responsibility for all operations and activities related to financial management.

Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursements, payrolls, and reconciliation of bank accounts.

All administrative employees are required to take annual vacations of at least five (5) consecutive days.

The Governance Board may appoint someone else to perform the Executive Director's responsibilities in the case of absence.

The Governing Board will commission an annual financial audit by an independent third party auditor who will report directly to them. The Governing Board will approve the final audit report, and a copy will be provided to the charter-granting agency. Any audit exceptions and/or deficiencies will be resolved to the satisfaction of the Governing Board and the charter-granting agency.

Since Blue Oak is a non-profit organization and exceeds \$2 million revenue threshold, the compensation and benefits of its Chief Executive Officer and Chief Financial Officer will be reviewed and approved by the Governing Board upon hiring, contract extension or modification.

Blue Oak Charter does not compensate its officers nor Governing Board members.

Blue Oak Charter will follow and adhere to both generally accepted accounting principles (GAAP) and Nonprofit Reporting Standards established by the Financial Accounting Standards Board (FASB).

Blue Oak Charter contracts with Charter Schools Management Corporation for its back office bookkeeping and accounting services.

BP 3010 – Budget Development

1.0 Purpose

The Blue Oak Charter School Board recognizes the importance of having a timely and accurate budget, which supports and defines the educational goals of the School. The purpose of this policy is to ensure stakeholder participation in the development and revision of both a current year budget and a multi-year projection budget.

2.0 Oversight Calendar and Responsibilities

2.1 January - February

- 2.1.1 The Business Manager (CSMC) works with the Executive Director to review the Governor’s proposed state budget for the upcoming fiscal year, and identify the likely range of revenues for the school’s upcoming fiscal year (July 1-June 30).
- 2.1.2 The Business Manager and Executive Director review/prepare a set of proposed budget development principles for board review and approval.
- 2.1.3 Develop rough planning budget for upcoming fiscal year, including projected enrollment and any proposed staffing changes.
- 2.1.4 Develop three-year budget projection in accord with the school’s established strategic and growth plans.
- 2.1.5 Ongoing monitoring and revision of current year budget.
- 2.1.6 The Business Manager and Executive Director review the P-1 attendance report, adjusting the budget as needed if P-1 materially varies from census day counts.

2.2 March - April

- 2.2.1 The Business Manager and Executive Director develop a formal budget plan for the upcoming fiscal year.
- 2.2.2 No later than April 15th, the Second Interim Budget Report will be prepared by the Business Manager and the Executive Director and presented for Finance Committee and Board approval. This report will contain current year actuals through January 31st compared to both Initial Budget and Current Proposed Budget.
- 2.2.3 If necessary, the Finance Committee of the Board solicits bids for the annual audit and elects an auditor.

2.3 May - June

- 2.3.1 The Business Manager and Executive Director reviews revenue projections subsequent to the Governor’s annual “May Revise” budget figures and fine-tunes the upcoming fiscal

year budget to accommodate any changes. This budget will include monthly cash flow projections.

- 2.3.2 The Business Manager and Executive Director verify the budget ties in with LCAP spending.
- 2.3.3 The Finance Committee and Board reviews and formally adopts a budget and the Local Control Accountability Plan (LCAP) for upcoming fiscal year before June 15. A copy of the final budget is provided to the charter-granting agency.
- 2.3.4 Ongoing monitoring and revision of current year budget.

2.4 July - August

- 2.4.1 Books for prior fiscal year are closed, all transactions are posted, and records assembled for audit.
- 2.4.2 The budget is updated with actual enrollment information and is ensured to be aligned with the actual adopted governor's budget via the FCMAT calculator.
- 2.4.3 Independent auditor performs audit of the just-closed fiscal year and prepares audit report for submission to the Finance Committee and Board of Directors.

2.5 September - December

- 2.5.1 At the end of the first full week of school on census day and again after the P-1 attendance report is available, the Executive Director reviews the Charter School's actual attendance figures and notifies the Board if actual attendance is below budget projections. If needed, the school's budget is again revised to match likely revenues.
- 2.5.2 The Board reviews a copy of the audit. The Business Manager and the Executive Director address any audit exceptions or adverse findings. Audit report and any follow-up plans are submitted to charter-granting agency.
- 2.5.3 No later than December 15th, a First Interim Budget Report will be prepared by the Business Manager and the Executive Director and presented for Board approval. This report will contain current year actuals through October 31 as compared to both Initial Budget and Current Budget.
- 2.5.4 Ongoing monitoring and revision of current year budget.

BP 3020 – Fiscal Control

1.0 Purpose

The Blue Oak Charter School Board is committed to fiscal responsibility and conservative fiscal management. This policy is adopted to ensure that, (1) expenditures are authorized by and in accord with amounts specified in the board-adopted budget, (2) the school's funds are managed and held in a manner that provides a high degree of protection of the school's assets, (3) internal controls and segregation of duties are maintained and (4) all transactions are recorded and documented in an appropriate manner.

2.0 Segregation of Duties & Oversight

- 2.1 All proposed expenditures shall be approved by the Executive Director. Purchases shall be reviewed by the Executive Director for consistency with the Board-adopted budget prior to signing a Purchase Requisition form (Attachment A) or Purchase Order.
- 2.2 The Executive Director must sign all requests for checks. Executive Director will review and authorize all invoices prior to payment. Ongoing, regular invoices, such as utilities, can be pre-approved on an annual basis by the Executive Director as sanctioned by the Board.
- 2.3 All transactions will be posted in an electronic general ledger. Transactions will be posted to the general ledger by staff from CSMC. To ensure segregation of recording and authorization, accounts payable personnel may not sign purchase requests, checks or purchase orders.
- 2.4 All expenditures will be reviewed monthly by both the Finance Committee and the Board of Directors in the form of a Check Register/Warrant Report.

3.0 Annual Financial Audit

- 3.1 The Governing Board will annually contract for the services of an independent certified public accountant to perform an annual fiscal audit for the prior year ending June 30.
- 3.2 The Governing Board may elect to enter into a contract with a multi-year contract with an audit firm but must change site auditors at least every three years.
- 3.3 The audit shall include, but not be limited to:
 - An audit of the accuracy of the financial statements
 - An audit of the attendance accounting and revenue claims practices
 - An audit of the school's internal control practices
 - Fraud interviews with at least one board member and 3 staff selected by auditor
- 3.4 If the Federal funding threshold is exceeded, the audit shall be prepared in accordance with any relevant Office of Management and Budget audit circulars
- 3.5 The Audit shall be completed, reviewed by the Board, and submitted to the charter granting agency, the County Office of Education, the Office of the State Controller and California Department of Education prior to December 15th of each year.

4.0 Budget Transfers

- 4.1 The Executive Director may transfer up to \$3,000 from one unrestricted budget item to another without board approval, but shall notify the Finance Committee and the Board of

the transfer at the next regularly scheduled meeting. Upon disclosure to the Board, CSMC shall record the transfer into the school's budget and accounting software.

5.0 Banking Arrangements

- 5.1 The School will maintain its accounts either in the County Treasury or at a federally insured commercial bank or credit union. Funds will be deposited in non-speculative accounts including federally-insured savings or checking accounts or invested in nonspeculative federally-backed instruments or in the County's Pooled Money Investment Fund.
- 5.2 If funds are held in accounts outside of the County Treasury, the Board must appoint and approve all individuals authorized to sign checks or warrants in accord with these policies.
- 5.3 The Governance Council will approve, in advance, the list of authorized signers on the School account. At least two individuals but no more than three will be authorized to sign checks; this normally includes the CEO and CFO. Authorized signers need not be an employee but should be a trusted individual such as a Board Member.
- 5.4 The Governance Council will authorize all transactions to open and close bank accounts.
- 5.5 The business office and the Executive Director will be responsible for all blank checks and will keep them secured.
- 5.6 The School's back office provider (CSMC) will reconcile the school's ledger(s) with its bank accounts or accounts in the county treasury on a monthly basis and prepare (1) a balance sheet, (2) a comparison of budgeted to actual revenues and expenditures to date, and (3) a cash flow statement. The Executive Director, the Finance Committee and the Board will review these statements each month.
- 5.7 The School will deposit all funds received as soon as practical upon receipt and in no event later than seven days after receipt. Funds will be in a locked cabinet or safe while awaiting deposit.

6.0 Purchasing

- 6.1 Whenever practical, a good faith effort will be made to obtain the lowest possible purchase price for goods and services of equivalent quality.
- 6.2 All purchases in excess of \$5,000 must be bid by a board-approved process, except in the case of emergencies that necessitate the purchase of emergency response supplies, equipment, or services. In such an emergency circumstance the Board will be notified of the expenditure at the next regular meeting. When multiple bids are solicited, documentation of this effort will be maintained along with purchasing documentation.
- 6.3 The Executive Director may authorize expenditures within the approved budget. The Finance Committee and the Governing Board will review and approve all expenditures via review and approval of a check register which lists all checks written during a set period of time and includes check #, payee, date, and amount.
- 6.4 Individuals other than the Executive Director are not authorized to make purchases without written preapproval. This includes members of the Board and subcommittees of the Board.
- 6.5 Staff must complete and submit a Purchase Requisition (Attachment A) in advance of any purchase requested on behalf of the school. The Executive Director must authorize and sign the purchase requisition prior to purchase.
- 6.6 When approving purchases, the Executive Director must:
 - 6.6.1 Determine if the expenditure is budgeted

- 6.6.2 Determine if funds are currently available for expenditures (i.e. cash flow)
- 6.6.3 Determine if the expenditure is allowable under the appropriate revenue source
- 6.6.4 Determine if the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations.
- 6.6.5 Determine if the price is competitive and prudent.
- 6.7 Any individual making an authorized purchase on behalf of the school must provide the business office with appropriate documentation of the purchase.
- 6.8 Individuals who use personal funds to make unauthorized purchases will not be reimbursed. Authorized purchases will be promptly reimbursed by a bank check upon receipt of appropriate documentation of the purchase.
- 6.9 The Executive Director may authorize an individual to use a school credit card to make an authorized purchase on behalf of the school.
 - 6.9.1 The school card shall be kept within direct control of the Executive Director. Authorized individuals must sign the credit card out and must return the credit card and related documentation of purchases within 24 hours of the purchases, unless otherwise authorized.
 - 6.9.2 Each charge to the credit card must be supported by a receipt of the expenditure and a concise description of the cost or activity and its school-related purpose. The receipt must contain detail of the item(s) purchased. If receipts are not available or are missing the individual making the charge will be held responsible for payment.
 - 6.9.3 Credit cards will bear the names of both Blue Oak Charter School and the Executive Director.
 - 6.9.4 Credit cards may not be used for cash advances or withdrawals at any time, even if the cash is to be used for a school-related purpose.
 - 6.9.5 Credit card accounts shall be paid in full each month; a balance shall not be allowed to be carried over into the next billing cycle.

7.0 Petty Cash

- 7.1 The School may keep a Petty Cash Account if approved by the Board of Directors. The Business Office will manage the petty cash fund and will be used for small or emergency purchases, usually costing \$50 or less.
- 7.2 The petty cash fund will be capped at \$300.
- 7.3 All petty cash will be kept in a locked petty cash box in a locked drawer or file cabinet. Only the Business Office and Executive Director will have keys to the petty cash box and drawer or file cabinet.
- 7.4 All disbursements will be entered onto a Petty Cash Log (Attachment C) and will be accompanied by a receipt.
- 7.5 All reimbursements will require a completed and signed Petty Cash Reimbursement Request (Attachment D). A register receipt for all purchases must be attached to the petty cash reimbursement.
- 7.6 The business office will insure that the petty cash forms are correctly completed and that a proper receipt is attached. All expenditures will include a budget account number and explanation to record the expenditure in the accounting system.
- 7.7 At all times the petty cash box will contain receipts and cash totaling \$300. A register

receipt must support the petty cash slip. The individual using the petty cash to make a purchase is responsible for submitting the receipt for the petty cash slip to the Business Office within 48 hours of withdrawing the petty cash.

- 7.8 When expenditures total \$200 (when cash balance is reduced to \$100), the Business Office will total the disbursements, complete a Petty Cash Reconciliation Form (Attachment E), and obtain the approval of the Executive Director. This should be done on at least a quarterly basis. The petty cash slips and supporting receipts will be attached to the reimbursement request form. The reports will be reviewed by the Finance Committee.
- 7.9 Petty cash fund reimbursement checks will be made payable to the Executive Director.
- 7.10 Any irregularities in the petty cash fund will be immediately reported in writing to the Executive Director and will be reviewed by the Finance Committee.
- 7.11 Loans will not be made from the petty cash fund.
- 7.12 The Executive Director will conduct surprise counts of the petty cash fund.

8.0 Cash Receipts and Deposits

- 8.1 Segregation of Duties – Duties are to be separated to the extent possible when handling cash. A system of checks and balances in which tasks are performed by different individuals for adequate control will be implemented. For example, the same person is not to collect money from students or other payees, post receivables and other accounting records, and prepare and make the deposit.
- 8.2 When complete segregation of duties is not possible, it is the Executive Director's responsibility to scrutinize all documents to ensure that the amount being deposited includes everything that was collected.
- 8.3 Mail containing payments is to be opened and recorded in one central location by someone who will have no further involvement with the deposit or accounting for cash receipts. The mail opener is to prepare a list of all payments received in a given day. The business office staff will verify that the deposit reconciles with the mail list.
- 8.4 Necessary initial control for in-person or over the counter receipts requires the person who receives the money to immediately prepare a record of the amount to establish accountability and a basis for proving that subsequent deposits include everything that was received. Pre- numbered, multi copy receipt books are acceptable methods of initial control.
- 8.4 All funds received will be kept in a locked box or safe until ready for deposit. Deposits will be made as soon as practical but at least once per week.

9.0 Returned (NSF) Check Policy

- 9.1 A returned-check processing fee will be charged for checks returned as non-sufficient funds (NSF). Unless otherwise pre-approved by the business office or the Executive Director, payment of the NSF check and processing fee must be made by cash, money order or certified check.
- 9.2 In the event that a second NSF check is received for any individual, in addition to the processing fee, the individual will lose check-writing privileges. Payment of the NSF check, the processing fee and any subsequent payment(s) by that individual must be made by money order or certified check.
- 9.3 In the case of NSF checks written by parents of students, failure to pay may result in the

withholding of report cards/transcripts at the end of the semester and/or school year until payment is received, unless other mutually agreeable arrangements are approved by the Executive Director and/or Governing Board.

- 9.4 If unsuccessful in collecting funds owed, the school may initiate appropriate collection and/or legal action at the discretion of the Executive Director and/or Governing Board.

10.0 Credit/Debit Cards

- 10.1 Credit or Debit cards usage will be limited, carefully controlled and monitored. Using a credit or debit card is the same as handling cash and is subject to the same precautions and requirements.
- 10.2 Credit or debit cards will only be issued to the Executive Director in both his/her name and Blue Oak Charter School upon approval of the Governing Board. Any new applications for credit/debit cards must have prior approval by the Board.
- 10.3 Credit/debit cards will only be used for traveling on school business or for a legitimate need to purchase goods and services online or in person when a vendor will not accept a purchase order or school check.
- 10.4 Credit/debit card purchases will be minimal and infrequent and will not be used to bypass established purchasing procedures.

11.0 Authority to Enter Into Contracts and Agreements

- 11.1 Except as otherwise provided in these policies, the Executive Director may enter into contracts and agreements not to exceed \$ 3,000.00 without Board approval, provided funds sufficient for the contract or agreement are authorized and available within the school's board-adopted budget. The Finance Committee and Board will be notified at the next regular meeting.
- 11.2 Contracts and agreements in excess of \$ 3,000.00 must be submitted for Board approval and may be executed by the Executive Director or other person specifically designated by the Board after the Board has duly approved the contract or agreement.
- 11.3 Consideration will be made of in-house capabilities and volunteers to accomplish services before contracting for them.
- 11.4 Office staff will keep and maintain a contract file evidencing the competitive bids obtained (if any) and the justification of need for any contracts over \$5,000.
- 11.5 Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the school.
- 11.6 Written contracts clearly defining work to be performed will be maintained for all contract service providers (i.e. consultants, independent contractors, subcontractors).
- 11.7 Contract 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 Executive Director may also require that contract service providers list the school as an additional insured.
- 11.8 If the contract service provider is a sole proprietor or a partnership (including LP, and LLP), the office manager will obtain a W-9 from the contract service provider prior to submitting any requests for payments to the business office.
- 11.9 The Executive Director will forward proposed contracts and modifications in writing to the

Finance Committee and Governing Board for approval prior to signing.

- 11.10 Contract service providers will be paid in accordance with approved contracts as work is performed.
- 11.11 The Executive Director will be responsible for ensuring the terms of the contracts are fulfilled.
- 11.12 Potential conflicts of interest will be disclosed upfront, and the Executive Director and/or Member(s) of the Finance Committee and Governance Council with the conflict will excuse themselves from discussions and from voting on the contract.

12.0 Record Keeping of Financial Documents

- 12.1 Transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documents will be retained by school staff in a secure location for minimum of seven (7) years, or as long as required by applicable law, whichever is longer. At the discretion of the Governing Board or Executive Director, certain documentation may be maintained for a longer period of time.
- 12.2 Appropriate back-up copies of electronic and paper documentation, including financial and attendance accounting data, will be regularly prepared and stored in a secure offsite location, separate from the school by CSMC.
- 12.3 Financial records will be shredded at the end of their retention period.

13.0 Asset Inventory

- 13.1 An asset is defined as all items, purchased or donated, with a value of \$1,000 or more and with a useful life of more than one year. The Executive Director shall establish and maintain an inventory of all non-consumable goods and equipment worth over \$1,000.
- 13.2 This inventory shall include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting the school's assets.
- 13.3 All non-consumable school property lent to students shall be returned to the school no later than 5 working days after end of the school year.
- 13.4 The business office will take a physical inventory of all assets at least 90 days before the end of each fiscal year, indicating the condition and location of the asset.
- 13.5 The Executive Director will immediately be notified of all cases of theft, loss, damage or destruction of assets.
- 13.6 Any excess or surplus property owned by the school may be sold or auctioned by the Executive Director provided the Executive Director engages in due diligence to maximize the value of the sale or auction to the school.
- 13.7 The sale or auction of property owned by the school with a fair market value in excess of \$ 3,000.00 shall be approved in advance by the Board.

14.0 Payroll Services

- 14.1 An outside payroll service will prepare payroll checks, tax and retirement withholdings, tax statements, and perform other payroll support functions.
- 14.2 The Business Assistant will establish and oversee a system to prepare time and attendance reports and submit payroll check requests.

14.3 The Executive Director will review payroll statements monthly to ensure that (1) the salaries

are consistent with staff contracts and personnel policies and (2) the proper tax, retirement, disability, and other withholdings have been deducted and forwarded to the appropriate authority.

14.4 All staff expense reimbursements will be on checks separate from payroll checks.

14.5 Upon hiring of staff, a personnel file will be established with all appropriate payroll related documentation including a federal I-9 form, tax withholding forms, pay scale, retirement status, and an accounting of the use of sick leave.

15.0 Attendance Accounting

15.1 The Registrar will establish and maintain an appropriate attendance accounting system to record the number of days students are actually in attendance at the School and engaged in the activities required of them by the School.

15.2 The annual audit will review actual attendance accounting records and practices to ensure compliance.

15.3 The attendance accounting practices will be in conformance with the Charter Schools Act and the applicable California Administrative Code sections defining Charter School Average Daily Attendance. Therefore:

15.4 ADA will be computed by dividing the actual number of days of student attendance by the number of calendar days of instruction by the School;

15.5 The School's instructional calendar will include at least the minimum number of days of instruction as provided by the Administrative Code Regulation to avoid any fiscal penalties. The calendar must also document that the school offers an amount of annual minutes of instruction as required pursuant to applicable law; and

15.6 If offered, independent study must be pre-arranged by the student's adult guardian and the School and that the adult guardian will be required to complete and submit documentation of engagement in instructional activity to the school on forms prepared by the school. As applicable, such study shall be in full compliance with law governing independent study.

16.0 Financial Reporting

16.1 The Executive Director, working in conjunction with the Business Manager (CSMC), will produce and submit to the charter granting agency any and all required fiscal, attendance, enrollment and other data reports as may be required by state or federal law, or mandated by the terms of the school's charter.

16.2 In consultation with the Executive Director, the business office will prepare the annual financial budget for approval by the Finance Committee and the Governing Board.

16.3 The business office will submit a monthly balance sheet and monthly revenue and expense summaries to the Executive Director including a review of the discretionary accounts and any line items that are substantially over or under budget (\$5,000 or +/- 10% of established budget, whichever is greater). The report will be reviewed at the scheduled Finance Committee and board meeting and action will be taken, if appropriate.

16.4 The business office will provide the Executive Director, the Finance Committee and/or

Governing Board with additional financial reports, as needed.

17.0 Loans and Lines of Credit

- 17.1 The Finance Committee and the Governing Board will approve all loans and Lines of Credit from third parties. In the case of a long-term loan, approval may also be required from the charter- granting agency in accordance with the terms of the charter petition and/or other lenders in accordance with the loan documents.
- 17.2 Once approved, a promissory note will be prepared and signed by the Executive Director and Board President before funds are borrowed.
- 17.3 Employee loans are not allowed.

18.0 Property and Liability Insurance

- 18.1 The Executive Director shall ensure that the school retains appropriate property and liability insurance coverage.
- 18.2 The Executive Director and the business office will maintain the files of insurance policies, including an up-to-date copy of all certificates of insurance, insurance policies and procedures, and related claim forms.
- 18.3 The Executive Director and the business office will carefully review insurance policies on an annual basis, prior to renewal.
- 18.4 Insurance will include general liability, worker's compensation, student accident, professional liability, and directors' and officers' coverage. Supplementary coverage will cover the after-hours and weekend activities. Coverage will be in line with the limits listed in the school's approved charter petition.

19.0 Capital Expenditure

- 19.1 Capital – The term capital shall mean equipment with a useful life of more than one year and valued at five thousand dollars (\$5,000) or more, including actual or estimated tax, shipping and handling, and land, buildings, and improvements. All items over five thousand dollars (\$5,00) with a useful life of more than one year shall be capitalized.
- 19.2 Equipment purchased with grant funds or required by the terms of the grant to be tracked as capital.
- 19.3 In addition to items specifically included in the Charter School Annual Budget, the Executive Director may purchase capital items costing up to three thousand dollars (\$3,000). The purchase of capital equipment exceeding these limits, which has not received prior budget approval, must be approved by the Governing Board.

20.0 Fundraising, Grant Solicitation, and Donation Recognition

- 20.1 The BOCC recognizes the importance of community support of school programs, including voluntary financial contributions, to assist the school in achieving its goals for student learning.
- 20.2 The board is committed to the use of good business practices and internal controls in application to fundraisers and the use of those funds.

- 20.3 The BOCC desires to work cooperatively with the parent community in determining the purposes for which funds may be used to meet the changing needs of the school and its students. The Parent Council and its affiliated class level organization is established as the primary fundraising organization within the school.
- 20.4 No pupil will be denied the opportunity to participate in any school activity because of the inability to contribute to any fundraising campaign.
- 20.5 Fundraisers will align with one of the following categories:
- a. Annual Giving Campaign – Designed to support across the board programs or services which support Blue Oak’s public Waldorf program; including but not limited to high quality materials, Specialty needs, or playground equipment.
 - b. Classroom fundraisers – Designed to support specific classroom activities, i.e. field-trips. Funds raised are accounted for in individual Classroom Funds.
 - c. Parent Council Fundraisers - Designed to support specific projects as determined by the Parent Council. Funds raised are accounted for in the Parent Council Fund.
- 20.6 All fundraising activities, including online fundraisers, must be approved of in writing by administration. With the consent of the Executive Director or designee, the Parent Council or other approved school group, may use the school's name, or any logo attributable to the school as appropriate.
- 20.7 A Fundraiser Application is to be filled out to initiate the approval process.
- 20.8 The Parent Council, the Board, and the Executive Director will develop a fundraising calendar at the beginning of the school year so that fundraising efforts can be coordinated. The Board shall be notified no later than the next regular board meeting of any changes that are made to the fund raising calendar.
- 20.9 All fundraising or grant solicitation activities on behalf of the school must be approved in advance by the Executive Director.
- 20.10 The Board shall be informed of any conditions, restrictions, or compliance requirements associated with the receipt of such funds, including grants or categorical programs sponsored by the state or federal government.
- 20.11 The Board shall be notified no later than the next regular board meeting of the award or receipt of any funds and shall approve the receipt of any grants, donations, or receipts of fundraising proceeds.
- 21.0 Fund Balance Reserve**
- 21.1 Financial reserves are needed to manage cash flow and protect the school from unforeseen revenue shortfalls, unexpected costs and economic uncertainties. Financial reserves also allow the school to save for large purchases and reduce the cost of borrowing money.
- 21.2 Blue Oak Charter will maintain a fund balance reserve of at least 3% of the total unrestricted General Fund revenues.
- 21.3 Blue Oak Charter will work toward a minimum cash reserve of 5% of the total budgeted expenditures and develop a 5 year plan to increase the reserve to 10%.
- 21.2 The business office (CSMC) will provide the Executive Director with balance sheets on a monthly basis. It is the responsibility of the Executive Director and the Governance Board to understand the school’s cash situation. It is the responsibility of the Executive Director to prioritize payments as needed. The Executive Director has responsibility for all

operations and activities related to financial management.

22.0 Expense Reimbursements- Employee

- 22.1 Employees must obtain pre-approval from the Executive Director prior to purchasing an item or service utilizing a Purchase/Check Requisition Form.
- 22.2 Employees will be reimbursed for approved expenditures within ten (10) days of presentation of reimbursement request along with appropriate documentation or when cash flow permits.
- 22.3 Receipts or other appropriate documentation will be required for all expenses to be reimbursed. The employee and the Executive Director/designee must sign a Request for Reimbursement Form.
- 22.4 Expenses greater than two months old will not be reimbursed.

23.0 Expense Reimbursements- Volunteer Expenses

- 23.1 All volunteers will submit a Purchase/Check Requisition Form to the Executive Director for all expenses prior to purchasing any item or incurring any expense.
- 23.2 Only items with prior written authorization from the Executive Director will be reimbursed upon completion of a Request for Reimbursement Form and proper receipts.

24.0 Parking Lot Liability

- 24.1 Parking lot related incidences are not covered under any insurance policy. The school assumes no liability for damage to cars parked in the parking lot during or after school hours.
- 24.2 The only exception to this policy will be when a student is observed by an adult accidentally causing damage to a vehicle while engaged in a school activity, such as physical education equipment breaking a window (e.g. a ball)
- 24.3 Otherwise, liability is as follows:
 - a. If a student willfully causes damage (i.e. not an accident as described above), the student's parent or guardian is responsible.
 - b. If a parent or other visitor causes damage, that individual is responsible.
 - c. If an employee causes damage, the employee is responsible.
 - d. If an unknown person causes damage and there is no witness, the affected individual would determine if they have applicable coverage through his/her individual insurance policies.

25.0 Telephone and Copy Machine Usage

- 25.1 Employees and volunteers will not make personal long distance calls on the telephones without prior approval from a supervisor. Employees and volunteers will reimburse the school for all personal telephone calls.
- 25.2 Employees and volunteers will not make personal copies on the school copy machines without prior approval from a supervisor. Employees and volunteers will reimburse the school for all personal copies at the rate of \$.10 per page.

26.0 Political Contributions and Involvement

- 26.1 Contributing to political campaigns or making political donations may jeopardize the Blue

Oak's nonprofit status. Blue Oak Charter will not take any position regarding any political candidate. School officials will not make political endorsements in their official capacity, and expenditure of charter funds for any political purpose is prohibited. However, charter school officials are not prohibited from making endorsements privately.

26.2 Prohibited Contributions, Expenditures, and Uses of Assets and Resources

Examples of prohibited political contributions, lobbying, and expenditures that support or oppose candidates for public office include, but are not limited to, the following:

- 25.2.1 Contributions to political parties or political action committees.
- 25.2.2 Contributions to the campaigns of individual candidates for public office.
- 25.2.3 Expenditures to print or assist in printing any political materials.
- 25.2.4 Expenditures for political advertisements.
- 25.2.5 The use of any charter school assets or resources for any political activities. This includes such use by management, employees, governing board members, or other representatives. Charter school managers, employees, governing board members or other representatives may engage in political activities on their own time, using their personal assets and resources; however, they may not act or appear to be acting on behalf of the charter school and may not use any charter school resources to assist in political activities.

26.3 Blue Oak Charter will comply with all federal and state laws and regulations regarding political contributions, lobbying and expenditures. No federal funds, or assets obtained from federal funds, will be used for any political purposes whatsoever.

BP 3030 – Student Fees, Deposits, and Other Charges

1.0 Purpose

- 1.0 Blue Oak School is a free, public K- 8 Charter School. The Governing Board recognizes that California law requires that a student enrolled in a public school shall not be required to pay a pupil fee for participation in an educational activity.
- 1.2 This policy is adopted by the Blue Oak School Governing Board with the explicit intent to comply with AB 1575, which states that “A pupil enrolled in a school shall not be required to pay any fee, deposit, or other charge not specifically authorized by law.”

2.0 Definitions

- 2.1 An educational activity is defined as an activity offered by a school, school district, charter school or county office of education that constitutes an integral fundamental part of elementary and secondary education, including, but not limited to, curricular and extracurricular activities.
- 2.2 A pupil fee is defined as a fee, deposit, or charge imposed on pupils, or a pupil’s parents or guardians, including, but not limited to:
 - 2.2.1 A fee charged to a pupil as a condition for registering for school or classes, or as a condition for participation in a class or an extracurricular activity, regardless of whether the class or activity is elective or compulsory, or is for credit.
 - 2.2.2 A security deposit, or other payment, that a pupil is required to make to obtain a lock, locker, book, class apparatus, musical instrument, uniform, or other materials or equipment.
 - 2.2.3 A purchase that a pupil is required to make to obtain materials, supplies, equipment, or uniforms associated with an educational activity.

3.0 Declarations

- 3.1 All supplies, materials, and equipment needed to participate in educational activities shall be provided to pupils free of charge.
- 3.2 A fee waiver policy shall not make a pupil fee permissible.
- 3.3 The School shall not establish a two-tiered educational system by requiring a minimum educational standard and also offering a second, higher educational standard which pupils may only obtain through payment of a fee or purchase of additional supplies that the School does not provide.
- 3.4 The School shall not offer course credit or privileges related to educational activities in exchange for money or donations of goods or services from a pupil or a pupil’s parents or guardians. The School shall not remove course credit or privileges related to educational activities, or otherwise discriminate against a pupil, because the pupil’s parents or guardians did not or will not provide money or donations of goods or services to the School.

4.0 Fundraising Activities

- 4.1 Participation in fundraising activities which solicit donations for the benefit of the school is completely voluntary and will never be a requirement for participation in an educational activity.

5.0 Fees Authorized by Law

- 5.1 The prohibition on pupil fees as defined above does not prohibit imposition of a fee, deposit, or other charge otherwise allowed by law. As a charter school, Blue Oak School is subject to the prohibition on pupil fees and fewer fees authorized by law apply to charter schools. As a charter school, the School may, but is not required to, charge the following fees:
 - 5.1.1 Transportation – Fees for transportation to and from school, as long as:
 - 5.1.1.1 The fee does not exceed the statewide average nonsubsidized cost per pupil;
 - 5.1.1.2 There is a waiver provision based on financial need; and
 - 5.1.1.3 Fees are not charged to pupils with disabilities whose Individual Education Program (IEP) includes transportation as a related service necessary for them to receive a free, appropriate public education. (EC Section 39807.5(b), (d), and (f)).
 - 5.1.2 Food – Charges for food served to pupils, subject to free and reduced price meal program eligibility and other restrictions specified in law. (EC Sections 38082 and 38084).
 - 5.1.3 Field Trips:
 - 5.1.3.1 Fees for field trips and excursions in connection with courses of instruction or school-related social, educational, cultural, athletic, or school band activities so long as no pupil is prevented from making the field trip or excursion because of a lack of sufficient funds. (EC Section 35330(b)).

6.0 Complaints

- 6.1 Blue Oak School shall make every effort to comply with laws and regulations regarding fees. Students, parents or guardians with a complaint regarding fees or charges imposed by Blue Oak School are referred to Blue Oak School Board Policy 6090 Uniform Complaint Policy. This policy provides a formal process for expression and resolution of complaints.
- 6.2 If, during the complaint review process delineated in **Blue Oak School Board Policy 6090 Uniform Complaint Policy**, it is found that a complaint regarding a pupil fee or charge has merit, the Charter School shall reimburse the fee or charge to all affected pupils, parents, or guardians.

BP 3040 – Travel Expense and Reimbursement Policy

1.0 Purpose

Blue Oak Charter School recognizes that school employees may incur expenses in the course of performing their assigned duties and responsibilities. To ensure the prudent use of public funds, the Executive Director shall authorize payment for actual and necessary travel expenses in accordance with the adopted budget and upon determining that the travel is necessary to attend a conference or other staff development opportunity that will enhance employee performance, and/or is otherwise necessary to the performance of the employee's duties. Blue Oak Charter School assumes no responsibility for personal automobiles used for business.

2.0 Approval & Claims

- 2.1 An employee shall obtain approval from the Executive Director or designee prior to traveling.
- 2.2 The Executive Director must pre-approve all out of town travel.
- 2.3 All expense reimbursement claims shall be submitted on a district form, within 10 working days following return from travel. The form shall be accompanied by receipts and any explanation necessary to document that the expenses meet school policy criteria for reimbursement. (Attachment B).
- 2.4 The Executive Director or designee shall approve expense claims only upon verifying that all necessary documentation is provided and that all expenses are appropriate and related to district business.
- 2.5 If an expense claim is disallowed due to lack of documentation or inappropriate expenses, the employee may be personally responsible for any improper costs incurred.

3.0 Expenses

- 3.1 Reimbursement of travel expenses shall be based on actual expenses as documented by receipts.
- 3.2 Reimbursable travel expenses may include, but are not limited to, costs of transportation, parking fees, bridge or road tolls, lodging when district business reasonably requires an overnight stay, registration fees for seminars and conferences, and other necessary incidental expenses.
- 3.3 The district shall **not** reimburse personal travel expenses including, but not limited to, alcohol, entertainment, laundry, in-room telephone, in-room honor bar, expenses of any family member who is accompanying the employee on district-related business, personal use of an automobile, and personal losses or traffic violation fees incurred while on district business.
- 3.4

4.0 Mileage Reimbursement

- 4.1 Employees will be reimbursed for mileage when pre-approved by an Executive Director.
- 4.2 Mileage will be reimbursed at the government-mandated rate for the distance traveled, less the distance from the employee's residence to the school site for each direction traveled. For incidental travel, mileage will only be reimbursed if the one-way mileage exceeds 10 miles.
- 4.3 Vehicles should be shared whenever possible to minimize travel costs. No employee shall be entitled to reimbursement for automobile travel when he/she is transported free of charge or by another employee who is entitled to the expense reimbursement.

5.0 Meal Reimbursement

5.1 Employees may choose to be reimbursed for actual cost of meals while in training or conducting school business. Meal costs shall be reimbursed based on documented actual expenses within the maximum amounts established by the Governing Board and based on the time of day that travel for school business begins and ends. To qualify for reimbursement the following leave and return times apply:

Breakfast: leave before 6:00 am

Lunch: leave before 11:30 am or return after 1:30 pm

Dinner: leave before 4:00 pm or return after 6:30 pm.

For example, breakfast will not be reimbursed for a single day training in Sacramento that begins at 9:00 am. It is assumed the employee will have breakfast at home before leaving for the training.

- 5.2 Any expense that exceeds the maximum rate of reimbursement established by the district shall be reimbursed only with the approval of the Executive Director.
- 5.3 A detailed receipt must be provided with the expense claim showing the cost of food, beverages and gratuity for each meal claimed. Unless automatically assessed by the restaurant, the gratuity should not exceed 18% of total pre-tax cost of meal.
- 5.4 Current reimbursement rates are: Breakfast \$8.00, Lunch \$12.00, Dinner \$18.00

6.0 Overnight Stays

6.1 Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by an Executive Director and the event is more than 100 miles from either the employee's residence or the school site. Lodging arrangements should be based on convenience, and rates should be negotiated at the lowest level possible, including the corporate, nonprofit or government rate if offered. If an employee is accompanied by a non-employee such as a family member or friend and as a result incurs additional costs, those additional costs are the responsibility of the employee.

7.0 Travel Advances

- 7.1 Travel advances are discouraged but if deemed necessary, a travel advance requires written approval from the Executive Director via a formal check request.
- 7.2 Travel advances require receipts for all advanced funds.
- 7.3 After the trip, the employee must enter all of the appropriate information on an expense Reimbursement Claim and submit it to the Executive Director for approval and then on to the business office for processing.
- 7.4 If the advance exceeds the amount of the receipts, the employee will pay the difference immediately in the form of a check. Excess travel advance funds may not be carried forward to a future expense claim.
- 7.5 If the advance is less than the amount of the receipts, the difference will be reimbursed to the employee as soon as possible, with cash flow permitting, in accordance with the expense report.

Directions for completing the Travel Expense Claim form

Prior to travel all employees must obtain approval from Supervisor and a budget code.

- Some travel arrangements and conference registrations may be done by utilizing the school credit card or with a requisition. Check with supervisor prior to travel.
- Each section of the Travel Claim form must be complete. Incomplete forms or claims missing documentation will be returned.

MEALS

- No reimbursement will be made without original, itemized receipts.
- Meals will be reimbursed based on documented actual expenses that are within the maximum amounts established by the District.
- Expenses that exceed the maximum rate of reimbursement must be approved and initialed by the supervisor on the Travel Claim form where indicated.
- Employees traveling together must request separate, itemized restaurant receipts. If an employee purchases a meal for another employee, the Accounts Payable Dept. will issue reimbursement to the employee who paid. Copied receipts showing each person's share are not acceptable.
- If the expense is for more than one staff member, the name(s) of each staff member must be indicated in the area provided on the Travel Claim form.
- Affidavit of Missing Receipt form may be used for missing receipts and submitted with travel claim if approved by supervisor.
- Gratuities are permissible if within current standards of tipping, between 15-20%.

AIR TRAVEL

- Air travel paid by the employee cannot be reimbursed until after the event.
- A brochure or flyer describing the event and reason for air travel must be submitted with the travel claim.
- Supporting documentation from the airline must include, travelers name, ticket number, departure/return dates, amount of fare and method of payment.

CONFERENCE REGISTRATION AND MATERIALS

- Conference fees paid by the employee will not be reimbursed until after the event and proof of attendance and payment have been submitted.
- Original itemized receipts must be submitted for any materials purchased while attending a conference.

LODGING

- Hotel bills paid by the employee will not be reimbursed until after the stay.
- A brochure or flyer describing the reason for hotel stay must be submitted with the travel claim.
- Finalized bill must include hotel occupant's name, dates of stay and method of payment.

TAXI, BUS, SHUTTLE SERVICE, PARKING, TOLLS

- Original receipts must be submitted.
- If receipts cannot be obtained for these services, employee must document on paper the type of service, location, date and amount of expense.

RENTAL CARS

- Car rental and fuel is allowable for out-of-district travel. Rental must be pre-approved by supervisor. No mileage reimbursement allowed.

MILEAGE

- Employee will be reimbursed for mileage when using a personal vehicle for School related travel.
- Reimbursement will be based on the standard mileage rate as authorized by the Internal Revenue Service in effect at the time of travel.

EXCLUDED EXPENSES

- Excluded expenses include but are not limited to alcohol, entertainment, video rentals and laundry service.
- Employees should request separate checks for alcohol and for expenses incurred by any individual they are accompanied by who is not employed by the School.



TRAVEL EXPENSE CLAIM



REQUISITION

Date: _____

This form must be completed and approved for all expenditures PRIOR to ordering or purchasing. Bills or reimbursements presented for payment without this form and approval may not be honored.



CHECK REQUEST FORM

	Date: _____
Payable to: _____	
Address: _____	<input type="checkbox"/> Mail to payee
_____	<input type="checkbox"/> Mail to payee with attached documents:
_____	<input type="checkbox"/> Please attach original and one copy)
_____	<input type="checkbox"/> Return to originator
_____	<input type="checkbox"/> Will pick up at Business Office
Date Required: _____	<input type="checkbox"/> Additional instructions:

Amount Required: _____	

Description/Purpose:	

Print Name of Originator	Signature _____ Date _____
Supervisor Approval (Print Name) *	Signature _____ Date _____
_____	_____
_____	_____
Total Expenditure: _____	Object/Fund: _____
Business Office Approval: _____	Date Processed: _____

Blue Oak Charter School Petty Cash Reconciliation Form

(Only complete light blue highlighted areas. The spreadsheet will calculate for you.)

Date
 Custodian's Name

Approved Petty Cash Fund Amount (Beginning Balance) \$300.00

Currency on Hand	Quantity	Total
0.01	x	= -
0.05	x	= -
0.10	x	= -
0.25	x	= -
1.00	x	= -
5.00	x	= -
10.00	x	= -
20.00	x	= -
50.00	x	= -
100.00	x	= -

Total Cash on Hand	\$ -
Receipts on Hand (amount reimbursed)	
Advance(s)	
Total Amount Replenishments Currently Submitted	

Total Reconciled Petty Cash \$ -

Total Approved Petty Cash Fund Per Above \$300.00

Difference (300.00)

Explanation of Difference:

Custodian Signature

Executive Director Signature

PROCEDURES

Bank Check Authorization

1. All original invoices will immediately be forwarded to the Executive Director (or designee) for approval.
2. The Executive Director (or designee) will carefully review each invoice, attach all supporting documentation, and verify that the specified services and/or goods were received. When receiving tangible goods from a vendor, the person designated to receive deliveries should trace the merchandise to the packing list and note any items that were not in the shipment. The packing list should be submitted to the business office with the invoice. The business office will adjust the invoice for any missing items noted on the packing list before processing for payment.
3. Once approved by the Executive Director (or designee), he/she will stamp a check authorization on the invoice and complete the required information, including noting the specific budget line item that is to be charged for the specified expenditures. The business office will then process the invoices with sufficient supporting documentation. The invoice and supporting documentation will be sent to the back office service provider by the business office on at least a weekly basis (Executive Director/designee should be aware of invoice due dates to avoid late payments).
4. The Executive Director/designee may authorize the business office to pay recurring expenses (e.g. utilities) without the Executive Director's/designee's formal approval on the invoice when dollar amounts fall within a predetermined range. A list of the recurring vendors and the dollar range for each vendor will be provided to the business office in writing and updated on an annual basis.

Bank Checks

1. When there is a need to generate a bank check, the Executive Director/designee will send appropriate approved documentation to the business office and back office service provider.
2. Once approved by the Executive Director/designee, the back office provider

creates the check based on the check authorization prior to obtaining the appropriate signature.

3. Checks may not be written to cash, bearer, or petty cash. Under no circumstance will any individual sign a blank check.
- 4 The business office will distribute the checks and vouchers as follows:
 - a. Original – mailed or delivered to payee
 - b. Duplicate or voucher – attached to the invoice and filed by vendor name by a Business Office staff.
 - c. Voided checks will have VOID written in ink. The original check will be forwarded to the business office who will attach any other related documentation as appropriate, send to back office provider and file with bank statements.

Bank Reconciliation

1. Bank statements will be received directly by staff in the business office assigned to the school.
2. The business office will examine all paid checks for date, name, cancellation, and endorsement. Any discrepancies regarding the paid checks or any checks over 120 days will be researched and if applicable voided and deleted from the accounting system.
3. Business Office staff will forward the bank statement to the back office service provider for reconciliation
4. The business office staff will compare the reconciled bank balance to the cash in the bank account and to the general ledger, immediately reporting any material discrepancies to the Executive Director and Finance Committee.

Cash Receipts (Cash and Checks)

1. All funds received by school staff will be recorded in a numbered, multi copy receipt book.
2. For each fundraising or other event in which cash or checks will be collected, a Volunteer Coordinator will be designated, who will be responsible for collecting and holding all cash and checks for the purpose of the fundraising activity.
 - a. The Volunteer Coordinator will record each transaction in a receipt book at the time the transaction is made, with a copy of the receipt provided to the donor.
 - b. The cash, checks, receipt book, and deposit summary must be given to the school business office by the end of the next school day, who will immediately put the funds in a secure, locked location.
 - c. Both the Volunteer Coordinator and the business office will count the deposit

and verify the amount of the funds in writing.

3. Cash/checks dropped off at the school office will be placed directly into a lock box by the person dropping off the cash/checks.
 - a. All funds are deposited into the lock box in a sealed envelope, along with any notes, forms, or other descriptions of how the funds are to be used.
 - b. The lock box will be emptied at least two times per week, corresponding to days when deposits are made.
4. Cash/checks dropped off in the classroom will utilize the classroom clipboards. Each classroom has a designated clipboard hanging near the entrance to the classroom. Each morning, the homeroom teacher assigned to that classroom will collect all forms, payments, etc. that have been brought in by students that day, place them in a large envelope, and attach the envelope to the clipboard. Before lunchtime, an office staff member and a second staff member (who may be an office staff member or an aide) shall collect all clipboard envelopes from each classroom and bring them to the office, where All checks will be immediately endorsed with the school deposit stamp, containing the following information: "For Deposit Only; Blue Oak Charter School; Bank Name; Bank Account Number."
5. A deposit slip will be completed by the business office and initialed by the Executive Director/designee for approval to deposit. The deposit slip will be duplicated and documentation for all receipts (copy of check, letter, etc.) will be attached to the duplicate deposit slip.

Deposits totaling greater than \$2,000 will be deposited within 48 hours by the designated school employee. Deposits totaling less than \$2,000 will be made weekly by the designated school employee. All cash will be immediately put into a lock box.
6. The duplicate deposit slip and deposit receipt will be attached to the deposit documentation and forwarded to the back office service provider to be filed and recorded weekly.

Credit and Debit Cards

1. Credit/debit cards will only be used in circumstances when a staff member is traveling or a vendor will not invoice the school nor accept a purchase order or bank check.
2. The credit/debit card will be locked in the business office safe. Approval for use must come from the Executive Director.
3. The school card cannot be used for cash advances, personal or non-school related purchases or the purchase of alcohol.
4. Card numbers will not be distributed and will not be saved in online accounts to which others have access.
5. The cardholder is responsible for ensuring the credit card purchases are within budget and properly approved.
6. All purchases will have prior approval utilizing a Requisition Form signed by the Executive Director.
7. Receipts must be submitted to the business office no later than one week after the date of the purchase/charge. Receipts must original and show detailed charges.

- 8.** Receipts for meals must clearly indicate the names of all persons attending the meal and the business purpose of the meeting.