



FINANCIAL POLICIES AND PROCEDURES

I. General Grant Management

- 1.1 Upon receipt of a request for application (RFA), the award is reviewed by Strong Start Academy's Executive Director and back-office service provider assigned to oversee the grant when applicable. Grant time frames, as well as the available and allowable uses of grant funds, are reviewed and confirmed.
- 1.2 Under the direction of Strong Start Academy's Executive Director, school personnel and the back-office service provider collaborate to write grant proposals, prepare budgets, and complete applications for submission.
- 1.3 The Executive Director reviews and makes final edits to the grant proposal and upon the direction of the back-office service provider submits applications to appropriate entities.
- 1.4 The Executive Director receives grant sub-awards and disseminates to the back-office service provider and the Office Manager to include award letters in the Governing Board meeting to accept grant funding.
- 1.5 The back-office service provider outlines the sub-award budget and timeframe in the grant tracking workbook.
- 1.6 Under the direction of the Executive Director, school personnel create purchase orders for grant related purchases, which are then provided directly to vendors.
- 1.7 The Purchase Orders (P.O.) are created by the Office Manager. The Executive Director has viewing access to the P.O.s and is able to monitor status and timing of payment.
- 1.8 Strong Start Academy's Office Manager remains in close communication with the principal and back-office service provider to report the delivery of grant purchases. Upon Delivery, items are inventoried by the Office Manager.
- 1.9 Under the direction and oversight of the Strong Start Academy Executive

Director or Office Manager, when inventory arrives on campus, packing slips are verified with an invoice to ensure receipt of all items, signed and dated. Once verified items are labeled with appropriate grant labels and then inserted into an Excel Spreadsheet (our grant management tracking system). In that system, we indicate and input the Item Location, Designated User, Item Name, Item Description, Cost of Item, Date Purchased, Disposition, and Funding Source.

- 1.10 Once grant purchases are confirmed as received at the charter school location, the back-office service provider will create the request for reimbursement, which is reviewed by the Executive Director for approval, and then submitted to the appropriate State grant office, the State Public Charter School Authority, Opportunity 180, or State Department of Education as applicable.
- 1.11 For reimbursement preparation, all records related to each grant are prepared by the back-office service provider. For records retention, all grant related records are retained by the Office Manager for up to 7 years, organized by Grant and fiscal year in binders.

II. Cash Management

2.1 Student Activities Funds Management

- All monies must be safeguarded.
- Any money (cash and/or checks) collected by school employees must be given to the Office Manager daily.
- It is recommended that money not be given directly to a teacher but rather directly to the Office Manager or someone in the front office.
- Strong Start Academy employees are to maintain a receipt book on all money they collect.
- Money is not to be kept in the classroom overnight.
- Deposits do not need to be made daily, but must be made weekly.
- Money collected cannot be given directly to a vendor.
- Purchase orders or invoices need to be issued prior to vendors being paid.
- No private bank accounts are to be used for any student activities, clubs, or organizations.

2.2 Cash Handling Policies

There is a relatively high risk associated with transactions involving cash; thus, a strong system of internal controls is required. Accordingly, the following policies must be adopted and followed:

- Segregation of duties must be the first priority handling cash receipts and disbursements and record keeping functions.
- Cash received must be deposited intact and on a timely basis.
- Cash must be properly safeguarded and appropriately recorded.
- Access to cash must be limited to as few employees as possible.
- Pre-numbered cash receipts must be prepared for all cash received.
- All checks received must be restrictively endorsed "For Deposit Only."
- All safe combinations and keys to cash boxes or files must be restricted to only an essential number of employees.
- Personal checks must not be cashed or used as an IOU to replace cash.

2.3 Procedures for Handling Money

Whenever money is involved, it is recommended that two people share the job of recording, counting, and verifying each other's amounts. It is important to have an accurate paper trail.

Money collected should be deposited as soon as practical. This includes fundraisers, events using tickets, and monies collected and deposited into club accounts for field trips. The original receipt should be given to the buyer of the

product being sold or to the person paying for the field trip.

A receipt book should be used. Receipt books should contain duplicate, pre-numbered receipt forms. The original receipt should be given to the customer and the duplicate retained. Your Parent Organizations, if not already doing so, should consider using this method if they don't have a mechanized system.

When lump-sum monies are being turned into the Office Manager, a cash collection report should be completed by the individual or group who is submitting the funds for deposit. A cash collection report will verify that two individuals have counted the funds together. The Office Manager may be the second person on the report, as long as they counted the funds together with the individual who is turning in the funds. This will remove the potential liability from one party should the total funds counted be different.

Here is an example of a process that could be followed when monies are being collected:

- Teacher involvement, as little as possible.
- Someone such as a student or parent brings money to the Office Manager.
- Teacher counts funds with the Office Manager or other approved designee.
- Office Manager counts the money while the person is standing there.
- The Office Manager will record the transaction in a receipt book and print out a receipt for the customer.
- The receipt should be from the receipt book that is pre-numbered and contains duplicate copies. A copy of the receipt is given to the customer.
- Checks received should immediately be stamped on the backside with the words "For Deposit Only."
- Checks should be made payable to: Strong Start Academy Elementary School and include the student's first and last name in the memo line. This information will be necessary in the case of non-sufficient funds checks.
- **School employees are not to collect money and/or checks for Parent Organizations, i.e. PTO or PTA. Parent organizations are responsible for collecting monies for their own activities. If a school employee is a member of a parent organization, they can collect money on behalf of the parent organization, outside of their contracted work time. A secure locked box with the PTO handling the keys can be made available in the office and secured in the school at night.**
- Office Manager needs to place all currency (cash, coin, checks, money orders, etc.) in a secure place

- When it is time to reconcile receipts with the physical money so that a bank deposit can be made, an employee will need to be in a safe, secure area.
- Money should be separated by denomination. Checks in a separate pile. Do not bundle currency with paper clips or paper wraps; do not roll coin.
- Bring any overages/shortages to the attention of the Executive Director.

CASH COLLECTION REPORT

Account Name _____ Account Code _____

Activity for which money was collected

Denomination	Person A – Dollar Amount	Person B – Dollar Amount
Total Dollar Amount of Checks	\$	\$
Total Account Deposit (Cash & Checks) Both Persons Must Match	\$	\$

Total dollar amount shown will be receipted and a copy of the receipt book page will be attached to this form.

The persons signing below are verifying that the Total Deposit amount is \$ _____

Printed Name of Person A

Signature of Person A

Date

Printed Name of Person B

Signature of Person B

Date

Printed Name of Person C

Signature of Person C

Date

III. Records Retention

3.1 Purpose of Maintaining Records

Strong Start Academy will maintain records and accounts to ensure full accounting of all grant funds received and expended in connection with each grant program, and made available for monitoring activities, and for performance and fiscal audits.

3.2 Timeframe for Maintaining Records

Strong Start Academy records shall be maintained for a period of 7 years, in accordance with the recommendations from the Nevada State Public Charter School Authority. 2 Code of Federal Regulations 200.333 and GEPA requirements. It is required that all records associated with a federal grant or pass-through grant, including financial records, supporting documents, statistical records, grant award letters, grant budgets, grant application narratives, financial records, statistics, etc. must be kept five (5) years from the date of submission of the final expenditure; (or, for Federal awards that are renewed quarterly or annually, 5 years from the date of the submission of the quarterly or annual financial report respectively), as reported to the Federal awarding agency or pass-through entity which is the Nevada Public Charter School Authority.

3.3 Types of Records to Keep with Grants

The Office Manager, or designee, retains copies of all records related to each grant (award letters, other letters, budgets, narratives/applications, quotes and bids, purchase orders, invoices, receipts, packing slips if included, any email or other correspondence), and any records connected to the use of Federal Grants used in purchasing, time and effort, professional development, travel, and payroll.

3.4 Retention for other Documents

Any other records will be maintained per the Nevada State Library Archives retention schedule for “Records with a retention schedule related to School Districts,” as applicable.

3.5 Storage of Records

In order to ensure a full accounting of all grant funds associated with each program and each fiscal year, these records must be maintained together by grant name.

Federal Grants received and expended will be kept by the Office Manager in grant binders associated with that grant (for example CSP Grant binder, ARP Grant binder, SPED Grant binder, ESSER Grant Binder). An electronic Google drive of all grant records (purchasing, financial records, statistics, payments, bids, etc.) may be kept for ease of reference by school leadership on a daily basis. This also allows for the simple electronic dissemination of these policies to various State Charter School Authority staff or others as requested for risk assessments or audits.

3.6 Records Communication

Additionally, the Office Manager, or designee, follows the rules set by the grantor and creates folders based on the naming convention example provided, for processing reimbursement through our back-office service provider.

3.7 Responsible Staff

Strong Start Academy's Executive Director and Office Manager will be responsible for the organization and retention of all official public records. Records may be stored electronically, or physically printed, or both. Only key personnel, designated by the Executive Director, will have access to electronic and/or physical records. Physical records will be gathered and stored in a banker's box and labeled with the corresponding school year. The box will be stored in the locked storage room on the second floor.

IV. Federal Programs

4.1 Allowable Uses of Grant Funds

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

- Be necessary and reasonable for the performance of the federal award.
- Be allocable to the federal award.
- Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of Strong Start Academy.
- Conform to any limitations or exclusions set forth as cost principles in 2 C.F.R. §200 or in the terms and conditions of the federal award.
- Be treated consistently.
- Be adequately documented.
- Be determined in accordance with General Accepted Accounting Principles (GAAP), unless provided otherwise in 2 C.F.R. §200.
- Not be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.

4.2 Procurement Under a Federal Award

In addition to its other policies and procedures regarding procurement, Strong Start Academy will adhere to the following requirements when making procurements under a federal award. Strong Start Academy will:

- Ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product or service to be produced, and set forth those minimum essential characteristics and standards to which the material, product or service must conform.
- Provide documentation of the method to be used to conduct technical evaluations of the received proposals and for selecting recipients, which will include the factors to be considered in the evaluation, who performs the evaluation, the number of evaluations performed, the timeframe for conducting the evaluations and selecting a vendor and whether another position reviews the evaluation.
- Maintain oversight to ensure that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders.
- Avoid acquiring unnecessary or duplicative items.
- Consider consolidating procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase

alternatives and any other appropriate analysis to determine the most economical approach.

- Maintain a list of prequalified persons, firms, or products which are used in acquiring goods and services and include enough qualified sources to ensure maximum open and free competition.
- Award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- Maintain records sufficient to detail the history of procurement. These records will include:
 - Rationale for the method of procurement;
 - Selection of contract type;
 - Contractor selection or rejection; and
 - The basis for the contract price.
- The use of a time and materials use contract is prohibited unless Strong Start Academy determines that no other contract is suitable. Time and materials use contract means a contract whose cost to Strong Start Academy is the sum of:
 - The actual cost of materials; and
 - The direct labor hours are charged at an hourly rate that reflects wages, general and administrative expenses, and profit.
- Be responsible for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims.
- Strong Start Academy will adhere to any additional procurement rules as applicable to specific federal programs

- 4.3 An inventory of all capital purchases, equipment, curricula, and library/reference books in the school will be compiled annually by the Administration. The physical inventory will be compared to the general ledger totals; any significant difference will be reviewed and corrected by the Office Manager.

4.4 Property Classifications

- *Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by Strong Start Academy for financial statement purposes, or \$5,000. 2 C.F.R. §200.33.
- *Supplies* means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by Strong Start Academy for financial statement purposes or \$5,000, regardless of the length of its useful life. 2 C.F.R. §200.94.
- *Computing devices* means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. 2 C.F.R. §200.20.
- *Capital assets means* tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:
 - Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease purchase, exchange, or through capital leases; and
 - Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance). 2 C.F.R. §200.12.

V. Purchasing and Procurement – Procurement of Goods

5.1 Purpose of Procurement

The overall purpose of procurement regulations is to ensure that Strong Start Academy gets the highest quality of desired goods and services at the best price possible. Further, the regulations are aimed at streamlining the process of procurement while maintaining adequate controls. These procurement procedures apply to all staff involved in the procurement process and to all types of procurement.

5.2 Procurement Committee

The charter school procurement committee shall be composed of the Executive Director, Office Manager, back-office service provider and a licensed staff member. The committee shall meet when there is need to deliberate on issues pertaining to procurement. The key terms of reference for the committee shall be to:

- Award tenders;
- Approve orders;
- Award contracts; and
- Approve variation of contracts conditions

5.3 Separation of Duties

There shall be proper separation of duties between:

- The person who orders a particular purchase from a vendor;
- The person who determines that the goods supplied are satisfactory;
- The person who accepts goods on site; and
- The person who authorizes payment.

5.4 Procurement Planning

Procurement planning is part of the annual budgeting process. The Executive Director and the back-office service provider are responsible for planning his/her project's estimated procurement needs on an annual basis. Procurement requests will also require the final approval of the Executive Director. The Executive Director and back-office service provider will update the plan throughout the year based on grant awards and various needs of the school on a continuous basis and as needed.

5.5 Procurement Requisition

Each specific procurement process shall be initiated by procurement email request / verbal request to the Office Manager and/or the Executive Director showing

detailed specifications requirements for the item(s) being requested. They should also indicate that the item is budgeted for. The procurement request allows the school flexibility within the overall annual plans regarding specifications, exact quantities, delivery dates, etc. They are also used to provide for un-planned or emergency procurement.

The procurement request will show the following:

- Items required;
- Quantities;
- Delivery dates and locations;
- Accounting information;
- Whether procurement is within the budget or emergency or unplanned; and
- Obtain 3 quotes for any items over \$200 and any technology item regardless of price.

Some grants do prescribe some conditions or restrictions required to be observed in the course of procurement pertaining to the project they fund. It is the responsibility of the Executive Director and back-office service provider to ensure that such donor requirements and restrictions are observed in the procurement of goods and services.

5.6 Controls on Procurement

Goods and services will only be procured within approved budgets except in case of emergencies, which have to be approved by the Executive Director. Thus, in addition to being responsible for preparing the budget, the Executive Director and the back-office service provider should ensure that actual procurement throughout the year remains within the budget.

The back-office service provider shall assist in conducting periodic checks on procurement activities to ensure that they conform to grant procurement requirements.

It is the responsibility of the person who signs the Purchase Order (PO) to verify that the following have been done, whether or not he/she actually collects the goods concerned.

- That the correct quantity has been received and signed;
- That the quality and price of goods is as agreed;
- That all goods delivered have been secured and inventory records appropriately updated;
- That the delivery note is checked, signed, and forwarded to the financial officer to await the invoice; and
- That 3 quotes have been generated for any items over \$200 and all technology purchases regardless of price.

All staff will be required to adhere to the 'conflict of interest' policy and procedures stating that they will not purchase goods or services from a company in which they have a vested interest.

5.7 Vendor Selection

Careful selection of vendors should be done to ensure that best possible price, quality and delivery time available within the markets is obtained. A list of suitable vendors (the list of pre-qualified vendors), for each type of goods and services based on letters of introduction and past performance, shall be maintained. This will make the process of vendor identification much faster. The vendor list shall be reviewed and updated periodically to ensure that current known factors are taken into consideration. Once the previous year's list of vendors has been updated and approved, procurement of goods and services can be affected. Vendor selection for inclusion on the list of pre-qualified vendors will take place once per year and will be done by the procurement committee.

5.8 Vendor Selection Criteria

The following set of criteria is essential for deciding on choice of vendors:

- Price- lowest price out of 3 quotes or Sole Source;
- Quality of goods/services. Such a justification must be verifiable;
- Availability of goods/services within the required delivery time;
- After sale services, including availability of parts/supplies; and
- Bidder's previous records of performance and service;
- Vendor search on SAM.GOV to ensure vendor is not reported as being disbarred or is on the debarment list;
- Ability of vendor to render satisfactory service in this instance;
- Financial stability of the vendor;
- Availability of bidder's representatives to call upon and consult with;
- Payment terms;
- Warranty offered; and.
- Ability to provide samples

5.9 Procedure for Tender

The Office Manager may recommend potential vendors but the selection of those invited will be left to the discretion of the Executive Director. The Office Manager will send an invitation to tender to each supplier listed to be invited. The vendors will pick up tender documents at Strong Start Academy offices specifying the goods and details or any relevant information needed to get accurate bids. All suppliers must receive the same information.

5.10 Use of Dealers and Sole Suppliers

In the interest of ensuring quality, reliability and timeliness, the Executive Director may establish purchase agreements or contracts with main dealers of regularly purchased goods. Where possible due to other factors, the Executive Director will negotiate rates and discounts with the supplier or a method to determine price for invoice justification. These agreements and prices (net of discounts) should be reviewed annually to ensure that they are competitive.

5.11 Purchase Orders with Vendors

The PO is a contract with vendors that should include all information regarding the goods and services being procured as well as standard terms of delivery, payment and arbitration in case of dispute. If contracts are precise and clear, possibilities of disputes will be reduced and Strong Start Academy will stand a far greater chance of receiving the goods and services as expected. Upon selection of a vendor, a legally binding contract or work order should be drawn-up for the goods and services in question and signed by both parties prior to procurement. Detailed specifications; quantities, unit prices, delivery deadlines, locations, and payment schedules must be specified in such contracts.

5.12 Order for Recurring Requisition

In circumstances requiring procurement of a recurrent nature, i.e. where the same goods and services may be issued several times a year, one vendor may be selected for a period of up to one year. In some cases, particularly for services, contracts for the goods or services can be drawn up once, which may then be referenced every time those goods or services are required without requiring separate quotations and contracts on each occasion. In other cases, particularly for regularly purchased goods, vendors can be selected once, but separate contracts drawn-up on each occasion the vendors are used.

5.13 Certifying Delivery of Goods and Services

The procurement process cannot be completed without certification that the goods and services procured have been received entirely to show detailed specifications satisfaction, in particular, to Strong Start Academy's satisfaction of the requisition. The procedure for receiving goods and services is therefore important in ensuring that vendors have entirely met their obligations. Once Strong Start Academy has certified that goods and services have been received to its satisfaction, it has little further reason to complain about a vendor's performance, and payment can then be made.

In all cases, the certification of receipts of goods and services is a prerequisite to the charter school and the following guidelines are essential for that purpose:

- The Office Manager should ensure that goods and services are checked against contracts, bills, invoices, or delivery notes.
- The Office Manager at the time of delivery will facilitate the receiving and

checking of goods and services whereby the receiving person will have to sign the delivery notes or any other documents during delivery.

- In some cases, receiving of goods and physical checking of goods or services may be delegated to other staff who are so authorized by the Executive Director. Such might include cases where goods of services where specialist's technical certification is required.
- Any differences between documents following physical checks should be noted and reported to the Executive Director for action.

5.14 Payment-Processing Procedure

The back-office service provider is responsible for preparing the Invoice Approval Report (IAR) which then is forwarded to the Executive Director and the Board President or their designee for checking, certifying, and approving. The document is then sent to the back-office service provider for further checking and necessary approval and authority to pay. All payments must be made in accordance with the contractual terms between the vendor and Strong Start Academy, and in reference to the financial policies.

VI. Purchasing and Procurement – Procurement of Services

6.1 Appointing and Paying Consultants

Consultants' services may be sought for:

- A job for which the required technical expertise does not exist in-house at Strong Start Academy.
- A job that is not ongoing and hence does not require full time staff.
- A job that does not require more than 6-months continuous engagement.

The following procedure shall be observed for engaging the services of a consultant at Strong Start Academy in the amount over \$50,000.

- The decision to hire the services of a consultant shall be taken by the Executive Director and the President of the Board or their designee for services up to \$50,000.
- The decision to hire the services of a consultant for a cost of more than \$50,000 also requires Board approval.
- The Executive Director shall send an invitation to specific appropriate consultant(s) requesting a proposal for the consultancy by a stated date.
- The proposals received shall be reviewed by a panel composed of the Grade Level Leads and the ensuing recommended name shall be submitted to the Executive Director who shall discuss it with the Board.
- The terms of reference for the consultancy shall be mutually agreed upon and the Executive Director shall be involved in the negotiation of financial aspects of the terms.
- The contract agreement shall be signed by both parties before commencement of the consultancy assignment.
- Payment is conditional on satisfactory completion of the whole job unless the agreement provides for installments at completion of specifically agreed components/tasks.

6.2 Appointing and Paying Temporary Staff

Temporary staff include fill-in, short-term project staff engaged for on-off tasks. The following procedure shall be observed for engaging services of temporary staff:

- The temporary staff is engaged by the Executive Director in liaison with the department in need of the staff.
- The letter of engagement is issued by the Executive Director stating the temporary status of the employment and the agreed terms.
- A temporary staff is expected to comply with all the policies of Strong Start Academy while in the service of Strong Start Academy.
- Payment shall be made at times consistent with the payroll of the

regular staff.

6.3 Allowable Uses of Grant Funds

When determining how to spend grant funds, Strong Start Academy's Executive Director and Office Manager will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on proposed goods or services.

All costs supported by federal education funds must meet the standards outlined in the Education Department General Administrative Regulations, which are provided in the bulleted list below. All costs must:

- Be necessary and reasonable for the performance of the federal award;
- Be allocable to the federal award;
- Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the charter school;
- Conform to any limitations or exclusions set forth as cost principles in 2 C.F.R. §200 or in the terms and conditions of the federal award;
- Be treated consistently;
- Be adequately documented;
- Be determined in accordance with GAAP, unless provided otherwise in 2 C.F.R. §200; and
- Not be included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such.

VII. Inventory Requirements

7.1 Full Accounting

Strong Start Academy will maintain records and accounts to ensure full accounting of all grant funds received and expended in connection with each grant program, and made available for monitoring activities, and for performance and fiscal audits.

7.2 Compliance

Strong Start Academy's financial management system (including records documenting compliance with Federal Statutes, regulations, and the terms and conditions of the Federal Award) must continually be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditure adequate to establish that such funds have been used according to the Federal Statutes, regulations, and terms and conditions of the Federal Award.

7.3 Inventory Procedure

- Approval for purchases is notated through email notification, or when needed by a vendor, on Purchase Order forms after verifying the funds are available through the Grant Management System (GMS); only items approved in the GMS will be considered for purchase. Specific funding sources must be identified prior to approval.
- Once an order or a signed Purchase Order is submitted to a vendor, the original order or PO and a copy of the invoice and packing slips are submitted to the Office Manager upon delivery. Records are stored in the office of the Office Manager, and electronically.
- Upon receipt of new items, the Office Manager, or the designated receiving staff, will inspect the inventory to ensure it is in good condition and that it matches the item specified on the purchase order and invoice. The invoice is delivered to the Office Manager who enters the information into accounting records.

7.4 Inventory Records

The inventory file is stored in Strong Start Academy's data files. As new items are purchased, they are added to the inventory. The written inventory includes the following information: Item Location, Designated User, Item Name, Item Description, Cost of Item, Date Purchased, Disposition, FAIN Number, Funding Source, and percentage funded by each federal program.

7.5 Physical Inventory

Once a year, in May, the written inventory is printed and all items are catalogued by the Executive Director or their designee.

7.6 Maintenance of Equipment

In accordance with 2 C.F.R. 313(d)(4), Strong Start Academy maintains adequate maintenance procedures to ensure that property is kept in good condition.

7.7 Lost or Stolen Items

- Strong Start Academy maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property.
- Computing devices are stored in areas that can be locked and/or stored in a locked classroom. Laptop computers assigned to staff may be used off-site.
- If the equipment is lost or suspected to be stolen, the Office Manager is notified. If the device is suspected to be stolen, the Executive Director is also notified in order to launch an investigation into the stolen device. The Executive Director would conduct interviews and file a police report if necessary. The lost/stolen property will remain listed in the inventory until the close of the school year.

7.8 Disposal of Equipment

- The Office Manager will identify the fair market value of the item(s) to be sold.
- The Office Manager and Executive Director will set a price range in which the item(s) can be sold. The Office Manager will handle the sale of the unneeded equipment. The number of offers received must be greater than 3 (if lower than the asking price). If a full price offer is received, one offer is sufficient.
- Strong Start Academy will maintain a complete property inventory which lists all school sites, buildings, equipment and supplies with a value greater than \$200. This inventory will be updated as necessary. The Board may authorize the employment of an appraisal company to assist with the inventory procedure
- Strong Start Academy will maintain an inventory of all capital assets in accordance with governmental accounting standards. Strong Start Academy's inventory will be updated [annually] to include property newly purchased and disposed.
- Capital assets includes all Strong Start Academy-owned property such as land, buildings, improvements to property other than buildings (i.e.,

parking lots, athletic fields, playgrounds, etc.) and equipment with a value greater than \$5,000. (See NAC 386.342).

VIII. Travel and Transportation

VIII.1 Travel Costs

Travel costs include expenses for transportation, lodging and food, and related items incurred by employees who travel on official business. Such costs may be charged on an actual cost basis, or on a per diem mileage basis, or on a combination of the two, provided the method used is applied to the entire trip and not selected days of the trip.

Strong Start Academy uses the Coversheets system provided by the back-office service provider that is in place for travel requests, approval, and reimbursement. Strong Start Academy employees will be reimbursed for actual and necessary expenses incurred while attending to Strong Start Academy business.

After approval by the Executive Director, it is the responsibility of Strong Start Academy and the back-office service provider to review and process travel reimbursement.

Reimbursable mileage is actual miles driven from the school to the location, and back to the school. Calculation of mileage is via the Google mapping system.

8.2 Travel Request Form

Travel, if allowable under the federal award, must be compliant with the Federal award letter. Travel outside of the charter school area must be pre-approved by the Executive Director. Upon that approval, employees will submit a travel request with details and billable information through the Strong Start Academy Travel Request Form via Google Forms. The travel management system requests are reviewed and approved by the Strong Start Academy Executive Director and booked through the Office Manager or Executive Director.

8.3 Actual Food Costs

Strong Start Academy employees will be reimbursed for actual food expenses, not to exceed GSA established per diem rates, for out-of-area travel requiring an overnight stay. Strong Start Academy employees and Administrators will also be reimbursed for actual and necessary non-food expenditures.

8.4 Lodging and Subsistence

Lodging Costs are not to exceed GSA established rates, unless under certain circumstances per state or federal rules. Costs incurred by employees, administrators and/or board members for travel (including costs of lodging, other

subsistence, and incidental expenses) will be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the charter school in its regular operations. If these costs are charged directly to the federal award, the charter school will maintain documentation justifying the following:

- The participation of the individual is necessary to the federal award; and
- The costs are consistent with this policy and any related procedures.

Temporary dependent care costs above and beyond regular dependent care that directly results from travel to conferences are allowable provided that:

- The costs are a direct result of the individual's travel for the federal award;
- The costs are consistent with this policy and any related procedures; and
- The costs are temporary, lasting only during the travel period.

Travel costs for dependents are not allowable, except for travel of a duration of six-months or more with prior approval of the federal awarding agency.

8.5 Commercial Air Travel

Airfare costs which exceed the basic, least expensive unrestricted accommodations class offered by commercial airlines are not allowable except when such least expensive accommodations would:

- Require circuitous routing;
- Require travel during unreasonable hours;
- Excessively prolong travel;
- Result in additional costs that would offset the transportation savings; or
- Offer accommodations not reasonably adequate for the traveler's medical needs.

8.6 Documentation of Expenses

Expenses not in compliance with this policy will not be reimbursed, nor paid for, by Strong Start Academy. Prior to reimbursement of actual and necessary expenses, employees must submit a detailed receipt indicating the date, purpose, and nature of the expense for each claim first to the Executive Director along with evidence of attendance, etc.

8.7 Reimbursement Management System

Then, employees will submit such documentation to the Office Manager, which is then reviewed and verified by the Executive Director.

Strong Start Academy recognizes that certain expenses are incurred by employees in carrying out authorized duties. Strong Start Academy approves the

reimbursement of necessary and reasonable expenditures as outlined in the accompanying award letter (if applicable), and consistent with GSA requirements and Nevada Administrative Codes.

All approval and reimbursement procedures must be followed prior to reimbursement.

Reimbursement for out-of-state travel by private vehicle will be made on the basis of air fare or mileage rate, whichever is lower.

Only travel expenses that are ordinary and necessary in the conduct of approved travel for charter school business purposes and directly attributable to it will be reimbursed. "Ordinary" expense means one that is common and accepted in the profession; a "necessary" expense means one that is essential and appropriate in order to conduct charter school business. Reimbursement procedures established by the charter school will also apply to governing body members traveling on charter school business, as applicable.

Expense reimbursements for staff or board travel shall not exceed the maximum GSA approved rates.

8.8 Advance Per Diem Checks

Advance per diem checks may be requested instead of paying out of pocket and submitting receipts to the Office Manager. Per Diem Checks should be requested with at least 2 weeks' notice and will be in exact correlation to GSA Rates.

Reimbursement will be made for ordinary and necessary meal expenses incurred in the course of approved travel for charter school business. Meals include amounts spent for food, beverage, taxes and related gratuities. Alcoholic beverages will not be reimbursed by Strong Start Academy.

Expenses in excess of Strong Start Academy's established limit are ordinarily the responsibility of the employee and may be reimbursed only with the Executive Director's approval. Receipts for all meal expenses must be secured and attached to the claim.

Travel must be conducted in the most expeditious and cost-effective manner, as determined by Strong Start Academy.

IX. Time & Effort Policy and Procedures

Strong Start Academy will maintain records and accounts to ensure full accounting of all grant funds received and expended in connection with each grant program, and made available for monitoring activities, and for performance and fiscal audits.

9.1 Definition of Effort

Effort Reports shall reasonably reflect the percentage distribution of effort expended by Strong Start Academy faculty, staff, and students involved in sponsored grant-funded projects. The Effort Report must represent, in percentages totaling 100%, a reasonable estimate of an individual's actual effort for the period being reported. 100% effort is defined as the effort expended to accomplish the full set of activities for which an individual received compensation from Strong Start Academy regardless of the number of hours expended on those activities. 100% effort is not defined as a certain number of hours or days per week. It does not depend on FTE status. It is based on the following formula:

A = Sponsored grant funded project activities

B = Institutional (non-sponsored grant funded) activities

Service % Effort on A + % Effort on B must equal 100%

9.2 Employees to Whom This Policy Applies

Each staff member, teacher, or employee whose time is partially or fully committed to a federally sponsored project shall complete Effort Reports as required.

Reporting is required regardless of whether such time is paid by the sponsor, or is an unpaid contribution (i.e., an "in-kind" or cost share match). Committed in-kind or cost share matches, whether voluntary or mandatory, must be included in Effort Reports.

Grant funded positions will be compensated similar to a non-grant funded position.

9.3 Time and Effort Documentation

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. Such work must be documented as delineated in the Code of Federal Regulations.

Strong Start Academy, under the direction of the Board, will comply with all requirements under the grant as approved by the Board. This includes the proper

expenditure of funds as budgeted in the grant including, but not limited to, salaries and benefits, time and effort, travel, equipment and supplies, contracts, and training stipends. When expending state or federal funds under the grant, or when requesting reimbursement under the grant, the school must have the following documentation:

Time and Effort

- Billing spreadsheet;
- Staff Time Sheets - signed by supervisor and employee;
- Student sign in sheets - signed by students (if tutoring);
- Payroll Register with highlighted salaries and benefits clearly identified;
- Time and Effort Documentation – when required.

Payroll

- Billing spreadsheet
- Payroll Register with highlighted salaries and benefits clearly identified
- Proof of payment
- Time and Effort Documentation/ Personal Activity Report (PAR), if required

9.4 Certification of Effort

Federal requirements stipulate that anyone certifying another individual must have first-hand knowledge of that individual's actual effort. Therefore, each faculty member is responsible for certifying his or her own Effort Report. The PI/PPD is responsible for certifying the Effort Report of grant project staff.

9.5 Reporting System

Strong Start Academy uses an "after-the-fact" effort reporting system to certify that salaries charged or cost shared to Sponsored Grant Funded Projects are reasonable and consistent with the work performed. This indicates that the distribution of salaries and wages will be supported by activity reports signed by the employee and certified by a responsible person with suitable means of verification that the work was performed at the end of the specified reporting periods.

Payroll Context Effort Reports and payroll distributions are not the same. Payroll distributions are estimates of how effort is anticipated to be expended. The effort reporting process is a method for confirming salary charges made to all sponsored awards. Federal grant pay should be paid over the period that the services are performed.

9.6 Roles and Responsibilities

Strong Start Academy's Executive Director and their designee is responsible for the distribution, collection, and retention of all employee Effort Reports. Individually reported data will be made available only to authorized auditors. The Executive Director will be responsible for verifying that the information provided by any individuals working on their grants is accurate.

9.7 Compliance Issues

The federal government can impose severe penalties and funding disallowances as a result of missing, inaccurate, incomplete, or untimely effort reporting. Strong Start Academy expects that teachers, staff, and employees will complete Effort Reports accurately and in a timely manner. Auditors will comment on any of the following:

- Late reports;
- Effort certified by someone without first-hand knowledge;
- Percentage of effort outside of sponsored project is not sufficient to cover teaching, service, and other work;
- Revisions to Effort Reports; and/or
- Significant inconsistencies between the Effort Report and other related documents.