



Fiscal Policies & Procedures

Approved by the LCPS Board of Directors
as of: October 9, 2024

Table of Contents

1. [Introduction](#)
2. [Accounting Procedures](#)
 - a. Basis of Accounting
 - b. Bank Reconciliations
 - c. Record Keeping
3. [Internal Controls](#)
 - a. Lines of Authority
 - b. Segregation of Duties
 - c. Authorized signers
4. [Financial Planning & Reporting](#)
 - a. Budgeting Process
 - b. Internal Financial Reports
 - c. Audit
 - d. Tax Compliance & Exempt Organization Returns
 - e. Quarterly/Annual Payroll Reports
5. [Revenue & Accounts Receivable](#)
 - a. Cash Receipts
 - b. Deposits
6. [Expenses - Payroll](#)
 - a. Payroll
 - b. Time Sheet Preparation & Approval
 - c. Payroll Additions, Deletions, and Changes
 - d. Payroll Preparation & Approval
 - e. Pay Upon Termination
7. [Expenses – Operating](#)
 - a. Purchases & Procurement
 - b. Credit Cards
 - c. Debit Cards
 - d. Independent Contractors
 - e. Invoice Approval & Processing
 - f. Check Disbursements
 - g. Wire Transfers
 - h. Petty Cash
 - i. Employee and Volunteer Expense Reimbursements
 - j. Travel Expenses
 - k. Food Purchases (Non-National School Lunch Program
 - l. LCPS Board Expenses
 - m. Amazon/Staples Purchase Policy

8. [Asset Management](#)

- a. Cash Management and Investments
- b. Capital Equipment
- c. Loans
- d. Insurance
- e. Parking Lot Liability
- f. Operating Reserve
- g. Lease Capitalization

9. [Appendices](#)

- a. Approval Matrix
- b. Financial Reporting Matrix
- c. Appendix 3: Authorized Credit Card Users
- d. Appendix 4: LCPS Federal Procurement Policy
- e. Appendix 5: Credit Card Agreement
- f. Appendix 6: Travel Policy Guide
- g. Appendix 7: Food for Meetings Form
- h. Appendix 8: List of Frequent Office Supplies Purchased

Section 1: Introduction

The Board of Lighthouse Community Public Schools (LCPS) has reviewed and adopted the following policies and procedures to ensure the most effective use of the funds of LCPS to support its mission and to ensure that the funds are budgeted, accounted for, expended and maintained appropriately.

Section 2: Accounting Procedures

This section covers basic accounting procedures for the organization. The accounting procedures used by LCPS shall conform to Generally Accepted Accounting Principles (GAAP) to ensure accuracy of information and compliance with external standards.

A.) Basis of Accounting

Policy:

The organization uses the accrual-basis of accounting at year-end. This means that revenues are recorded when earned within the year, and that expenses are recorded when a liability is incurred within the year regardless of when the receipt or payment of cash takes place.

Procedures:

- Throughout the fiscal year, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. At the close of the fiscal year, all revenue earned in the fiscal year, but not received is accrued. At the close of the fiscal year, all expenses that have been incurred but not paid are also accrued. This ensures that the year-end financial statements reflect all revenue earned and all expenses incurred during the fiscal year.
- Year-end books, inclusive of adjusting journal entries, are officially closed by December 15, the date by which the audit report must be submitted to the state controller and respective reporting agencies.

B.) Bank Reconciliations

Policy:

Bank reconciliation and approval will occur on a monthly basis.

Procedures:

- LCPS' Senior Accountant will print the bank statements directly from the online banking system and enter into the accounting platform.
- LCPS' Controller will review and approve the bank reconciliation by initialing and dating the report.

C.) Record Keeping

Policy:

Financial records will be retained for a minimum of seven years or as outlined in 990 requirements.

Procedures:

- LCPS will retain financial records, including transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll record, and any other necessary fiscal

documentation at its site until the prior year audit has been completed.

- At the discretion of the LCPS Board or CEO, certain documentation may be maintained for a longer period of time.
- Financial records will be shredded at the end of their retention period.
- Backup copies of electronic and/or paper documentation should be stored in a secure location.

Section 3: Internal Controls

LCPS employs several safeguards to ensure that financial transactions are properly authorized, appropriated, executed and recorded.

All documentation related to financial matters will be completed by email confirmation, inked signature, or through a platform approved by the Sr. Director of Finance that provides sufficient user authentication (i.e., file sharing with user stamp).

LCPS employs various electronic systems and processes to complete the work associated with its fiscal operations (i.e., Netsuite, Paypal, Staples Advantage, etc.). The electronic systems that LCPS chooses to use may change over time and new electronic systems may be introduced. LCPS staff will configure the electronic systems to ensure they align to the internal controls defined in this policy.

A.) Lines of Authority

The LCPS Board is responsible for the following fiscal oversight:

- Approves the fiscal policies and procedures and delegates administration of the policies and procedures to the CEO
- Ensures that the fiscal policies and procedures are current, reviewing and approving them annually.
- Approves the opening and closing of bank accounts and the list of authorized signers and the organization address on record.
- Approves all third-party loans or other forms of debt.
- Approves the opening of business credit cards.
- Reviews and approves the annual budget.
- Reviews annual and bi-monthly financial statements, including the monthly check registers, year-to-date income statement, and cash flows.
- Reviews the CEO's performance annually and establishes the salary.
- Reviews and approves all contracts over \$50,000.
- Approves the annual financial audit by December 15 each year.
- Appoints someone else to perform the duties of the CEO in the case of absence.

The CEO is responsible for the following:

- Working with the Board of Directors to set LCPS's strategic priorities and facilitate strong organizational oversight, including over the fiscal and operational health of the organization
- Overseeing the execution of a robust and strategic fundraising program and allocating the resources and support necessary to maintain the health of LCPS.

The LCPS Board authorizes the Approval Threshold for staff members, to establish proper control of LCPS finances, as outlined in Appendix 1.

B.) Segregation of Duties

Policy:

LCPS' financial duties shall be distributed among multiple people to help ensure protection from fraud and

error. The distribution of duties aims for maximum protection of the organization's assets while also considering efficiency of operations.

Procedures:

On an annual basis, the Sr. Director of Finance will review and update if necessary the existing Segregation of Duties. In that, he/she is to identify the position responsible for carrying out each function so that no single person or entity has sole control over cash receipts, disbursements, payrolls, and reconciliation of bank accounts.

C. Authorized Signers

Policy:

LCPS' financial accounts will have two required signatures. The board approval threshold for any payments greater than \$50k will also require two signatures prior to its issuance.

Procedures:

The two signers will be the Chief Executive Officer and the Sr. Director of Finance and will approve disbursements based on the policy.

Section 4: Financial Planning & Reporting

A.) Budgeting Process

Policy:

In consultation with the CEO, Finance Committee, and organizational leaders, the Sr. Director of Finance will prepare an annual budget for approval by the LCPS Board. The budget is to be approved by the LCPS Board prior to the start of each fiscal year.

Procedures:

- The Sr. Director of Finance will work with the CEO and all Budget Managers to ensure that the annual budget is an accurate reflection of programmatic and organizational goals for the coming year.
- The Sr. Director of Finance will ensure that the budget is developed using the organization's standard revenue recognition and cost allocation procedures.
- The Sr. Director of Finance, in consultation with the Finance Committee and CEO, will set a target net income goal to meet strategic goals and/or comply with existing loan covenants.
- The Sr. Director of Finance will present a draft budget to the Finance Committee prior to recommending approval by the LCPS Board.
- The Finance Committee shall review a recommended fiscal year budget and submit it for approval to the LCPS Board.
- The LCPS Board will review and approve the budget at its regularly-scheduled meeting in June.
- The Sr. Director of Finance will prepare financial statements displaying actuals relative to budget for presentation to the LCPS Board at each board meeting.

B.) Internal Financial Reports

Policy:

The organization reviews regular financial reports on a monthly basis.

Procedures:

- The Sr. Director of Finance is responsible for producing the following year-to-date reports within 30 days of the end of each month: Income Statement including budget-to-actual variances,

Balance Sheet and Cash Flow Projection.

- The Sr. Director of Finance will also present a check register at each board meeting.
- The Sr. Director of Finance is to present statements in accordance with the Financial Reporting Matrix (Appendix 2).

C.) Audit

Policy:

The LCPS Board will contract annually with a qualified independent certified public accounting firm to conduct an audit of the organization's financial statements in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards issued by the Comptroller General of the United States, and, if applicable, the U.S Office of Management and Budget's Circular A-133. The selected audit firm must be familiar with these standards, related State of California and Charter School regulations, and the Standards and Procedures for Audits of California K-12 Local Education Agencies Audit Guide, in order to properly conduct the audit engagement.

The LCPS Board recognizes that "it is unlawful for a public accounting firm to provide audit services to a local educational agency if the lead audit partner, or coordinating audit partner, having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local educational agency in each of the six previous fiscal years." (Ed Code 41020)

Procedures:

- The LCPS Board will appoint an Audit Committee of one or more persons by January 1 of each year.
- The Audit Committee may include persons who are not members of the board, but may not include any members of the LCPS staff. In addition, any person with expenditure authorization or recording responsibilities within the organization may not serve on the committee.
- The Audit Committee will be responsible for contracting with an audit firm by March 1 of each year, unless the existing contract is a multi-year contract.
- The Audit Committee will be responsible for reviewing the results of the annual audit and developing a corrective action plan to address all relevant weaknesses noted by the auditor.
- The LCPS Board will review and approve the audit no later than December 15.
- The audit firm will be responsible for submitting the audit to all reporting agencies no later than December 15.

D.) Tax Compliance & Exempt Organization Returns

Policy:

The audit firm contracted by the LCPS Board to conduct the annual financial audit will prepare the annual Federal Form 990 and the California Form 199. The tax forms are to be filed no later than May 15 of each year for the previous year.

Procedures:

- The Sr. Director of Finance will work with the tax preparer to complete the organization's tax returns.
- The Form 990 will be available to the public via GuideStar, an information service specializing in reporting on U.S. nonprofit companies.

E.) Quarterly/Annual Payroll Reports

Policy:

The Sr. Director of Finance will ensure the preparation of the state and federal quarterly and annual payroll tax forms and will submit the forms to the respective agencies within established deadlines.

Procedures:

- The Sr. Director of Finance will prepare and make available employee W2s by January 31 each year.
- The Sr. Director of Finance will ensure the filing of the quarterly payroll tax reports (941 and DE9) by the filing deadline.

Section 5: Revenue & Accounts Receivable

A.) Cash Receipts

Policy:

Cash receipts (including check or cash payments received via mail or in person and deposits received via ACH / EFT) shall be recorded completely and accurately to prevent the misappropriation of assets.

Procedures:

- For each event (i.e., fundraiser, student trip) in which cash or checks will be collected, the appropriate Supervisor will designate a staff member to be responsible for managing the process to collect and hold all cash and checks related to the event.
 - o The designee will record each transaction using the [LCPS Cash Counting sheet](#) and – if applicable - document each item sold at the time the transaction is made in a log or similar sheet.
 - o The designee shall give the cash, checks, deposit summary, and any related supporting documentation to the site-based **Operations Associate** or **LCPS Procurement Coordinator/AP Associate** immediately.
 - o Upon transfer to the appropriate personnel, the designee and that individual will recount and reconcile the amount received with the supplied supporting documentation and each will sign for approval. The Operations Associate / Procurement Coordinator/AP Associate will immediately put the funds in a secure, locked location.
 - o For any cash/checks dropped off in a classroom, the teacher is to hold it in a secure location. Within 24 hours, the teacher is to transfer all cash, checks, and supporting documentation to the site Operations Associate.
- Mail (including anything official such as governmental notices, invoices and checks) received at the school must be routed to Shared Services. The Sr. Director of Finance or CEO is to delegate the appropriate personnel to open mail and route to the appropriate staff. The primary individual is the Procurement Coordinator/AP Associate. In line with the Segregation of Duties, this designated individual opening mail is not to be the same person making deposits.
- On a weekly basis, the Senior Accountant will log cash or checks received using the LCPS Deposit log.
- When utilizing merchant or online web contribution services, appropriate segregation of duties shall be in place to ensure that no single person is able to perform incompatible functions (custody, recording, approval).

B.) Deposits

Policy:

The Sr. Director of Finance will ensure that a team member makes bank deposits on a weekly basis. In line with the Segregation of Duties, this duty is assigned to the Senior Accountant.

Procedures:

- The Senior Accountant will prepare a deposit packet itemizing the amount, source, and purpose of each check or cash payment received. The deposit packet will include a copy of each check and a bank deposit slip.

- The Controller will review and approve the deposit packet.
- The Senior Accountant will make the deposit into the primary bank account and attach the deposit receipt to the deposit packet.
 - LCPS' primary account is held at JP Morgan Chase.
 - Checks are to be deposited via JP Morgan Chase's secure online platform. This platform is to be established by the CEO and Sr. Director of Finance with the appropriate security measures.

- Cash is to be deposited to JP Morgan Chase via courier on a bi-weekly basis. The Controller will reconcile the cash receipts to the deposit slip and the bank statement as part of the monthly close process.

Section 6: Expenses – Payroll

A.) Payroll

Policy:

Employees are paid on a semi-monthly basis. The Sr. Director of Finance or Designee is responsible for approving payroll through a third-party provider.

Procedures:

- Payroll dates are on the 15th and final day of the month. If the regularly scheduled date occurs on weekend or holiday, the pay date is to move forward to the last workday prior to that date.
- The Senior Accountant is to prepare payroll no later than 72 hours prior to pay date and submit to the Sr. Director of Finance or Designee for approval.

B.) Time Sheet Preparation & Approval

Policy:

All non-exempt employees are required to record time worked, holidays, and leave taken for payroll, benefits tracking, and cost allocation purposes.

Procedures:

- Non-exempt employees will be responsible for completing a timesheet, recording hours worked and vacation, sick or holiday time if applicable to their supervisor for approval.
- Each supervisor will review and approve their employees' timesheets by approving each timesheet in the payroll system.
- Supervisors will require incomplete timesheets to be corrected with the employee where necessary in the payroll system
- Salaried employees are responsible for requesting leave, and supervisors are responsible for reviewing leaves taken by their staff.
- All timesheets and leave approvals must be completed and submitted by the 9th and the 24th of each month.

C.) Payroll Additions, Deletions, and Changes

Policy:

The Sr. Director of Finance is authorized to approve all payroll changes within the scope of the approved budget.

Procedures:

- The Director of Talent/HR or Designee will submit, electronically via payroll system or internal file documentation, new hire or employee change paperwork to the Accountant prior to the payroll deadline for the first pay period in which the change or addition is to go into effect.

D.) Payroll Preparation & Approval

Policy:

The Senior Accountant will prepare payroll in accordance with the organization's payroll calendar.

Procedures:

- The Senior Accountant will prepare payroll updates each pay period. The Sr. Director of Finance or Designee will then run a Payroll Register to review for accuracy and completeness and approve accordingly.
- The Sr. Director of Finance will approve payroll through the 3rd party system.
- The 3rd party payroll provider will deliver the payroll packages to the organization's addresses prior to the check date.
- The Senior Accountant will coordinate with Operations Staff Leads regarding opening the payroll packages, separating the pay stubs and live checks and distributing them to the employees on the check date.

E.) Pay Upon Termination

Policy:

Employees who are discharged shall be paid all wages due at the time of termination, per Labor Code 201. Employees who quit without giving prior notice shall be paid wages within 72 hours (inclusive of weekends and holidays). If the employee gives at least 72 hours' notice, the wages must be paid on the last day worked, per Labor Code 202.

Procedures:

- Employee Supervisors must notify HR immediately upon employee resignation.
- HR will notify the Senior Accountant of the need for a final check, along with an accounting of the hours/days worked since the last payroll and any accrued time and wages to be paid.
- The Senior Accountant will calculate the final check based on the hours/days worked at the employee's pay rate, and any wages owed and subsequently submit to the Sr. Director of Finance or Designee for approval and check signing. The Senior Accountant will deliver the final check to HR.
- HR is to obtain the employee's signature acknowledging receipt of his/her final check.
 - o An employee who quits without 72 hours' notice may request that his or her final wage payment be mailed to a designated address. The date of mailing will be considered the date of payment, per Labor Code 202.
- The final check may not be provided via direct deposit.

Section 7: Expenses - Operating

A.) Purchases & Procurement

Policy:

All purchases must be authorized by authorized personnel, in accordance with Approval Thresholds (Appendix 1).

Any expenditure in excess of \$50,000 for the purchase of a single item should have bids from three (3) suppliers if possible. Any food contract that exceeds \$250,000 (the small purchase threshold set by the US Department of Agriculture) shall follow a competitive bid process.

Goods or services purchased with federal funds must follow federal procurement guidelines as outlined in the LCPS Board Approved Lighthouse Community Public Schools Procurement Procedures for Federally Funded Projects (Appendix 4) which is aligned to Education Department General Administration Regulations (EDGAR), Part 80— Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Sub-part C (Post Award Requirements), Section 80.36 (Procurement) located at: <http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>

[LCPS Board Approved Lighthouse Community Public Schools Procurement Procedures for Federally Funded Projects](#)

California law prohibits the purchase of alcoholic beverages with public funds. As necessary, an employee shall refund the district for such expenditures. (Education Code 32435)

The LCPS Board must approve any contract over \$50,000.

Procedures:

All purchase decisions are to be made with the following guidance:

- All purchases require authorization of approved personnel, in accordance with the Approval Matrix (Appendix 1).
- The Budget Approver will approve a purchase request by staff, or by his/her sourcing, after determining:
 - If the expenditure is budgeted.
 - If funds are available for the expenditure.
 - If the expenditure is allowable under the appropriate revenue source.
 - If the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures and any related laws or applicable regulations.
 - If the price is competitive and prudent and proper bidding procedures have been followed.
- The LCPS Board will review expenditures during each board meeting through the review of a check register that will list all checks written since the LCPS Board's last meeting. This register will include the check #, check date, payee, and check amount.

Contracting for services is to adhere to the following guidelines:

- LCPS Staff will consider in-house capabilities to accomplish services before contracting for them.
- The Sr. Director of Finance will ensure that internal guidance is provided for any authorized staff member proposing a contracted service. That guidance will include:
 - The authorized staff is to solicit bids and maintain a file documenting the

- competitive bids obtained (if any were required) for any contract.
- o The authorized staff will request from LCPS' Human Resources staff that a contract be drawn up.
- o The Procurement Coordinator/AP Specialist, will research that the contractor is not listed in the US government's Suspended or Disbarred list via a search of the System for Award Management (www.sam.gov). Procurement Coordinator/AP Specialist will keep a record of all searches.
- o The Head of HR or designee will ensure that a written contract clearly defining work to be performed is on file for all contract service providers (i.e. consultants, independent contractors, subcontractors).
- o Contract service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and workers' compensation insurance currently in effect. If in the vicinity of students or otherwise determined by the LCPS Head of HR or designee, providers may also need to be fingerprinted, submit evidence of TB Testing, and submit evidence of CPR/First Aid clearance.
- o LCPS reserves the right to require that contract service providers list the school as an additional insured.
- Authorized LCPS staff, in accordance with Approval Matrix (Appendix 1), will approve proposed contracts and modifications in writing.
- Contract service providers will be paid in accordance with approved contracts as work is performed.
- The Sr. Director of Finance will be responsible for ensuring the terms of the contracts are fulfilled.
- Potential conflicts of interest will be disclosed upfront, and the Executive Director and/or Member(s) of the LCPS Board with the conflict will excuse themselves from discussions and from voting on the contract.

B.) Credit Cards

Policy:

LCPS credit cards shall only be issued with the formal approval of the LCPS Board and may only be used by individual cardholders for organization-related expenditures. All LCPS credit card holders must complete a credit card usage agreement prior to being issued one.

[Credit Card Agreement \(Appendix 5\)](#)

Procedures:

- LCPS authorized the opening of a Wells Elite Credit Card, administered through Wells Fargo Bank. The Sr. Director of Finance or Designee is to administer cards to authorized Budget Managers as described in Appendix 3.
- An itemized receipt should be turned in for all purchases.
- In the case of a missing receipt, a missing receipt form shall be submitted and approved by the Sr. Director of Finance.
- Credit cards will bear the names of both the organization and the cardholder.
- No personal charges are permitted.
- All reward points or discounts are property of the school. Use of such points or discounts is at the discretion of the Sr. Director of Finance and should be used for the benefit of the organization. Unless otherwise directed by the LCPS Board, any available "cash back" is to be applied as revenue for the benefit of the LCPS program.
- Upon termination, the employee shall immediately return the credit card and all receipts to the Sr. Director of Finance, or Designee.
- Failure to adhere to the credit card policy/credit card usage agreement could result with a

freeze or cancellation of the credit card holder.

C.) Debit Cards

Policy:

Organization debit cards are not permitted.

Procedures:

- If a debit card is automatically issued by the bank, the Sr. Director of Finance will:
 - Contact the bank to deactivate debit card service from the account.
 - Destroy the physical debit card.

D.) Independent Contractors

Policy:

The organization will comply with all applicable federal and state laws relative to the use of independent contractors.

Procedures:

- The CEO, Director of HR, or Sr. Director of Finance may establish a contract with an independent contractor and is responsible for verifying that the person is appropriately classified as an independent contractor and not as an employee and for obtaining a Form W-9.
- School employees may not serve as independent contractors.
- Contract service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and workers' compensation insurance currently in effect. The above personnel may also require that contract service providers list the school as an additional insured.
- All services performed by independent contractors will be processed as accounts payable.
- At the close of the calendar year, the Sr. Director of Finance or Designee will ensure that LCPS issues a Form 1099 to all eligible independent contractors in accordance with IRS regulations.

E.) Invoice Approval & Processing

Policy:

The Sr. Director of Finance or Designee must approve all invoices. Any invoice over \$50,000 must also receive approval from a member of the LCPS Board, if not previously authorized through Board Approval. The following procedures will be performed either manually or electronically.

Procedures:

- The Procurement Coordinator/AP Associate will open and review invoices and bills and will notify the Sr. Director of Finance of any unexpected or unauthorized expense.
- When receiving tangible goods from a vendor, the Procurement Coordinator/AP Associate or Front Desk personnel at sites trace the merchandise to the packing list and note any items that were not in the shipment.
- The Procurement Coordinator/AP Associate will code invoices to the correct budget line.
- Invoices are entered by the Procurement Coordinator/AP Associate, and submitted to the Controller for review. An approval request is submitted to the Sr. Director of Finance, and approval is made through LCPS accounting system.

- If the vendor is a sole proprietor or a partnership (including LP, and LLP) providing a service, the Procurement Coordinator/AP Associate will obtain a W-9 from the vendor prior to submitting any requests for payments.
- The Finance Staff will review the invoice for sufficient supporting documentation, and verify the coding. Upon final review, and consequent approval from the Sr. Director of Finance, the Procurement Coordinator/AP Associate will process payment.

F.) Check Disbursements

Policy:

Bank checks will be issued upon receipt of appropriate documentation (e.g. vendor invoice, purchase order, packing slip, etc.).

Procedures:

- Once an invoice is approved by the Sr. Director of Finance or Designee, the Procurement Coordinator/AP Associate will be authorized to print checks from the LCPS Accounting System.
- The Procurement Coordinator/AP Associate will apply the Sr. Director of Finance or CEO signature via stamp, which is maintained in a secure, locked location when not in use.
- The Procurement Coordinator/AP Associate will mail the check to the address provided.
- Should a check need to be voided, "VOID" will be written in ink across the check, scanned for record-keeping, and shredded.

G.) Wire Transfers

Policy:

Wire transfers initiated by LCPS will be executed only upon: 1) recognition of appropriate documentation for the intended transfer, 2) written initiation by CEO or Sr. Director of Finance, directed to the other party, and 3) confirmed verbal receipt of that initiation by the receiving party.

If not previously authorized by the Board, any wire transfer over \$50,000 must additionally receive approval from a member of the Finance Committee.

Procedures:

All executed wire transfers will adhere to the following procedures:

- CEO or Sr. Director of Finance will review all supporting documentation and approve, via written email to the opposite party. The receiving party will confirm receipt via both writing and verbally, to safeguard against any attempted wire fraud.
- The Sr. Director of Finance will execute the wire transfer with LCPS' bank.

H.) Petty Cash

Policy:

There is no petty cash fund. Should LCPS personnel receive cash on behalf of the organization, please reference Section 5A-Cash Receipts for next steps.

I.) Employee and Volunteer Expense Reimbursements

Policy:

LCPS will reimburse pre-authorized, school-related expenses that are accompanied by an original receipt or other appropriate documentation. Only approved personnel, as defined by the Approval Matrix (Appendix 1), may incur school-related expenses without pre-approval.

Procedures:

- An employee or school volunteer seeking to make a school-related purchase must obtain pre-approval from their Supervisor. If that Supervisor does not have approval authority, he/she is to direct the requesting individual to the appropriate authorized approver.
- Employees will submit a signed expense reimbursement form no later than 1 month after the expense was incurred, to their Supervisor, for approval. Original receipts or other appropriate documentation (i.e., e-mailed receipt) must be attached to the expense report.
- Employees will submit expense reports within the fiscal year in which the expenses were incurred.
- The organization reserves the right to refuse reimbursement for any inappropriate expenses made.
- Once checks have been generated, the two distribution options are for recipients to pick them up from The Shared Service Office or they will be mailed to the mailing address provided.
- [LCPS Reimbursement Form](#)

J.) Travel Expenses

Policy:

Employees must receive authorized approval prior to all work-related travel. Mileage will be reimbursed at the organization-approved mileage rate, not to exceed the current IRS reimbursement rate.

Procedures:

- For the purposes of mileage reimbursement, where a trip is commenced or terminated at the employee's home, the distance traveled shall be reduced by the employee's home-to-office commute distance.
- Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by an administrator and the event is more than 50 miles from either the employee's residence or the school site. Hotel rates will be negotiated at the lowest level possible, including the corporate, nonprofit or government rate if offered, and the lowest rate available.
- Employees will be reimbursed up to the established per diem rate found at the US General Services Administration for any breakfast, lunch, dinner, or incidental expense that is not included as part of the related event. Employees will be responsible for any excess expenses beyond the established per diem rate.
- Transportation expenses such as airfare will be purchased at the lowest rate available.

- Employees should utilize bus/shuttle service whenever possible. When traveling in groups, taxis or rideshares may be more economical. Employees should choose between long-term parking or a taxi/rideshare based on whichever is the more economical for the organization. After the trip, the employee must enter all of the appropriate information on an [LCPS Reimbursement Form](#), attach original receipts, and submit it to their supervisor for approval, per the prescribed Reimbursement process.
- [Travel Policy Guide \(Appendix 6\)](#)

K.) Food Purchases (Non-National School Lunch Program)

Policy:

Food purchases must be pre-approved and for the purpose of special meetings and/or events related to LCPS business functions. Food purchased for special meetings must be approved and accompanied by the following completed form:

[Food for Meetings Form \(Appendix 7\)](#)

L.) LCPS Board Expenses

Policy:

An individual board member who incurs authorized expenses while carrying out the duties of LCPS will obtain pre-approval from the CEO and Board Chair. If the Board Chair is seeking approval, he/she is to obtain pre-approval from the CEO and Board Treasurer. Once the expense is incurred, he/she will complete and sign a Reimbursement Form and attach original receipts.

The Reimbursement Form is to be processed in the procedure outlined in the “Reimbursements” section.

M. Amazon/Staples Purchase Policy

Policy:

LCPS uses two primary vendors to make standard classroom books, materials, and supply purchases. The two primary vendors are Amazon and Staples.

Procedures:

The following are the active users going forward so that we can track and organize the nature of our purchases:

- 1 Office Manager (OM) per school (4 total) - all orders should be going through the OM (i.e. teachers, principals)
- 1 (2 total) operations manager per campus
- 2 for shared services (Procurement Coordinator/AP Specialist and 1 Designee from the Academic Team)
- 1 person for special education

In summary, we will have 9 total amazon purchasers.

The Sr. Director of Finance or Designee is the FINAL approver on all purchases

See appendix 8 for the frequency of the most commonly purchased bulk items for direct school operations

Section 8: Asset Management

A.) Cash Management and Investments

Policy:

All funds will be maintained in high quality financial institutions or invested with the following objectives in order of priority; preservation and safety of principal, liquidity, and yield.

Procedures:

- The CEO or Sr. Director of Finance will obtain LCPS Board approval before opening or closing a bank account.
- LCPS Board will adopt an investment policy before funds are to be invested.

B.) Capital Equipment

Policy:

The organization capitalizes any item, purchased or donated, with a value of \$5,000 or more and with a useful life of more than one year.

Procedures:

- The Controller will maintain a ledger of all capitalized items. The ledger will include the original purchase price and date and a brief description of the asset.
- LCPS will take a physical inventory of all assets within 90 days of the end of each fiscal year, indicating the condition and location of the asset.
- The Sr. Director of Finance will be notified of all cases of theft, loss, damage or destruction of assets.
- The Controller is to maintain written notification of plans for disposing of assets with a clear and complete description of the asset and the date of the disposal.

C.) Loans

Policy:

The LCPS Board will approve all loans from third parties.

Procedures:

- The CEO and Sr. Director of Finance shall review and sign the promissory note before funds are borrowed or drawn down.
- Loan agreements should specify all applicable terms, including the purpose of the loan, the interest rate, and the repayment schedule.
- Loan covenants and reporting requirements are to be acknowledged by the board at the time of adoption.

D.) Insurance

Policy:

The organization will maintain insurance with a high quality insurance agency at all times for:

- General Liability
- Property
- Workers' Compensation

- Professional Liability
- Directors and Officers
- Coverage Cyber Security

Procedures:

- The Sr. Director of Finance will review insurance policies with the Broker on an annual basis prior to renewal to determine compliance with Charter authorizer and any applicable loan covenant requirements.
- The Sr. Director of Finance or their designee will maintain records of all insurance policies and related documents (e.g. certificates of insurance, claim forms, etc.).

E.) Parking Lot Liability

Policy:

In recognition of the special circumstances facing staff serving in LCPS schools, LCPS will reimburse staff when their personal vehicles have been vandalized on or in the immediate vicinity (defined as less than 500 feet) of school site property while the staff member is engaged in professional duties, subject to the following conditions:

Procedures:

Assumption of Responsibility:

Parking lot related incidences are not covered under any school insurance policy. The organization assumes no liability for damage to cars unless a student is observed by an adult accidentally causing damage to a vehicle while engaged in a school activity.

- If a student willfully causes damage, the student's parent or guardian is responsible. In instances where there is a financial hardship identified, the student may be assigned community service in addition to or in lieu of some damages and a reimbursement may be submitted to the school following the limits and requirements listed below.
- If a parent or other visitor causes damage, that individual is responsible.
- If an employee causes damage, the employee is responsible.
- If an unknown person causes damage and there is no witness, the affected individual would determine if he/she has applicable coverage through his/her individual insurance policies after the deductible has been reached. Per the below requirements, staff can report vandalism or accidental damage and follow the below procedure for reimbursement up to the insurance deductible or \$500 whichever is less following investigation of the incident.

Requirements and Procedure for Reporting Vandalism, Theft, or Accidental Damage by a Student or an Unknown Person and Seeking Reimbursement:

- In all instances, any vandalism or property damage to vehicles on our campuses should be immediately reported to the site's Operations Manager and an incident report and appropriate documentation of the nature, extent, and (if known) cost of the damage must be submitted to the school within 48 hours of learning about the damage to ensure prompt investigation including gathering of witness statements and review of any applicable evidence including, to the extent it is available, video footage or photographs.
- Depending on the type and nature of the damage and if there were no witnesses to identify responsibility, a claim should also be filed to insurance and police as applicable and copies of

those submissions submitted to the Operations Manager.

- If, following investigation, the Operations Manager is able to verify the damage and that it occurred on or in the vicinity of LCPS property during the staff member's working hours, but is unable to identify the party responsible or in the case of accidental student damage or a parent or guardian's inability to pay the costs, then the staff member should submit a request for reimbursement to the Operations Manager and LCPS' Billing Department (billing@lighthousecharter.org) along with all other documentation as indicated below.

LCPS Reimbursement Procedures for Vehicle Damage & Property Theft:

In instances where the criteria for the school to provide reimbursement is met (e.g. in cases of accidental damage by students, if there is documentation of damage on or in the immediate vicinity of school property but the party cannot be identified, and in cases where the student's parent or guardian is responsible but cannot afford to pay the cost), reimbursement will be determined on a case by case basis, as indicated below:

- Reimbursement will not exceed the amount of insurance deductible or five hundred (\$500) dollars whichever is less.
- Reimbursement will be based upon proof of damage and cost of repair to the vehicle due to vandalism during duty hours, including police reports, personal affidavits, witness statements and/or photographs.
- Reimbursement will be based upon proof of loss if submitted to the insurance carrier and proof of the amount of the policy deductible.
- Reimbursement shall be made within thirty days of submission of claim, or as soon as practicable, once the claim has been verified and approved by the Director of Operations and Finance Department.
- Employees will cooperate with LCPS in connection with any rights of subrogation accruing to the school by virtue of any payment made pursuant to this article.

F.) Operating Reserves

Policy:

LCPS will ensure adequate cash balances to meet annual cash flow needs. The target minimum operating Cash Balance is set as 60 Days of Cash on Hand*. The amount of cash will be calculated by LCPS Finance Staff each month, and reported out to the board at each of its regularly held meetings.

* Day of Cash on Hand is defined as: Ending Cash, divided by Annual Operating Expenses, divided by 365. Annual Operating Expenses are to include expenses incurred across LCPS (either by charter sites or the home office), excluding depreciation.

Procedures:

- The Sr. Director of Finance will monitor the organization's cash balances and will report the amount to the CEO on a monthly basis and the LCPS Board on a bi-monthly basis.
- It is the responsibility of the LCPS Board to regularly review the organization's cash needs and projections.
- It is the responsibility of the LCPS Sr. Director of Finance to regularly monitor cash flow and prioritize payments based on available cash.

- If LCPS is ***behind*** the Targeted 60 Days cash on hand, due to unforeseen circumstances, LCPS Board will approve a budget that enables LCPS to return to 60 Days cash on hand
- If LCPS is ***ahead*** of the Targeted Days in the above schedule:
 - LCPS Board may choose to approve a budget for a given fiscal year that includes a lower Operating Surplus but remains on track to meet the Targeted Days of Cash on Hand.

G.) Lease Capitalization

Policy:

Under FASB ASC 840, we are required to capitalize our operating leases. The dollar threshold to capitalization of our operating leases are leases greater than \$15k .

Procedures:

LCPS will use the guidance available in the software EZ Lease to comply with this requirement.



Appendices

- Appendix 1: Approval Matrix
- Appendix 2: Financial Reporting Matrix
- Appendix 3: Authorized Credit Card Users
- Appendix 4: LCPS Federal Procurement Policy
- Appendix 5: Credit Card Agreement
- Appendix 6: Travel Policy Guide
- Appendix 7: Food for Meetings Form
- Appendix 8: List of Frequent Office Supplies Purchased

Appendix 1:
Approval Matrix

The following guidelines are set for approvals of financial commitments. All transactions are to be compared against budget and approved according to these thresholds only if within budget.

Note that this matrix covers the approval of financial obligations, but not individual checks. That is addressed in Section 7e.

LCPS Approval Matrix: Contracts, Purchase Orders, Invoices			
LCPS authorizes the following roles to approve financial commitments, in the form of Contracts, Purchase Orders, or Invoices , according to the following thresholds.			
Level	Threshold	Approval Required	Signature
I	\$5,000 or under, with commitment of 2 years or less AND NOT including any Special Exceptions (Transportation, overnight trips, insurance or indemnification)	Budget Manager*	Budget Manager*
II	\$5,000 or under, with commitment of >2 years OR including any Special Exceptions (Transportation, overnight trips, insurance or indemnification)	Requires written approval from CEO or SDOF	Budget Manager*
III	Over \$5,000 but not exceeding \$50,000	Requires written approval from CEO or SDOF	CEO / SDOF, or delegate by written authorization
IV	Over \$50,000	Requires Board Approval	CEO / SDOF

* LCPS Budget Managers are designated by the Sr. Director of Finance. As of July 1, 2024, those roles are the following:

- Site-based: Principal, Operations Associate, After School Coordinator
- Shared Services: Chief Academic Officer (CAO), Chief of Staff (COS), Chief of Operations (COO) Sr. Directors/Directors of Talent, HR, Operations, Development, Technology, Special Education

Appendix 2:
Reporting Matrix

<i>Financial Reporting Matrix</i>		
Audience for Financial Reviews	Frequency	Scope of Financial Statements
LCPS Board	Bimonthly (2nd Wednesdays of even months)	YTD: LCPS Consolidated for Summary & ADA Cash Flow: Current and following year Balance Sheet: LCPS Consolidated + Finance Committee Memo, modified as needed
LCPS Finance Committee	Bimonthly (prior to Board Meetings)	YTD: LCPS Consolidated for Summary, ADA, by Budget Category Cash Flow: Current and following year Balance Sheet: LCPS Consolidated + Memo
CEO / CAO/ COO	Monthly	YTD: LCPS Consolidated for Summary, ADA, Line Item detail Cash Flow: Current and following year Balance Sheet: N/A
Principals	Quarterly	YTD: for their respective site, showing Summary, ADA, Line Item detail Cash Flow: N/A Balance Sheet: N/A
Directors of Operations	Quarterly	YTD: for their respective site, showing Line Item detail for Operational budgets Cash Flow: N/A Balance Sheet: N/A
Shared Service Directors	Quarterly	YTD: for LCPS, showing Line Item detail for their respective budgets Cash Flow: N/A Balance Sheet: N/A

Appendix 3:
LCPS authorized Credit Card Users

Position	Monthly Credit Limit is not to exceed: *	Current Individual(s), as of: 7/01/24
CEO	\$10,000	Rich Harrison
CAO/COO/COS/College Career Readiness/Facilities & Operations/ Special Education/Other Appointments	\$5,000	Tina Hernandez Anna Martin Megan Bacigalupi Joshua Weintraub Belen Orozco Franklin Zuniga Marisol Ponce Pena Erin Wesseldine Kathleen Liljeberg
Principals Technology	\$2,500	Alicia Blacknell Cody Marshall Latora Baldrige Shaina Hurley Manisha Patel
Other LCPS Designee	\$1,500	Karen Fee Martin Garcia Valverde
Sr. Director of Finance	\$10,000	Linda Wu
Sr. Director of Finance	\$100,000 **	Linda Wu

* No user should maintain a monthly credit limit in excess of their Approval limit for invoices.

* LCPS maintains a board-approved credit line of \$100,000. The Head of Finance is approved up to \$10,000 for emergency purchases requiring a card. The \$100,000 listed indicates overall oversight for the Wells Elite credit card.

Appendix 4:
LCPS Federal Procurement Policy

Procurement Procedures for Federally Funded Projects

1. Procurement Procedures General Information

Procurement is a multistep process for acquiring the best possible goods and services at the lowest possible price. When required by law, regulation or program requirements, Lighthouse Community Public Schools ("LCPS") will purchase goods and services funded in whole or in part by federal funds in accordance with Title 2, Code of Federal Regulations (2 CFR), sections 200.318–200.326; and all other applicable federal, state, and local rules, whether specifically cited and incorporated in this policy or not.

When making procurement decisions, the Charter School will follow the following four fundamental principles of procurement:

1. Comply with the Buy American Provision by purchasing, to the maximum extent possible, agricultural commodities and products grown and processed in the United States.
2. Understand and comply with federal, state, and local requirements.
3. Ensure that full and open competition exists to the maximum extent possible as outlined in 2 CFR, Section 200.319(a).
4. Award contracts to responsible and responsive bidders.

According to 2 CFR § 200.309, subdivision (a), situations limiting competition include, but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business; • Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliate companies; • Noncompetitive awards to consultants that are on retainer contracts;
- Organizational conflict of interest;
- Specifying only a "brand name" product, instead of allowing an equal product to be offered and describing the performance or other relevant requiring of the procurement; and
- Any arbitrary action in the procurement process.

Pursuant to 2 CFR, Part 200.318 (k), LCPS must be responsible in accordance with good administrative practices and sound business judgment for the settlement of all contractual and administrative issues arising out of procurements.

2. Methods of Procurement (only refer to applicable procurement methods) 2.1 Micropurchase

Method (2 CFR, Section 200.320[a])

Micro purchases may be awarded without soliciting competitive quotations or comparing prices among qualified suppliers if the following two conditions are met:

v2. Last Amended and adopted by LCPS Board of Directors on July 17, 2024

- The aggregate value of a single transaction is \$10,000 or less.
- Charter School staff considers the price to be reasonable. Documentation (e.g., receipts and invoices) must be maintained for three years plus the current program year to document costs that are reasonable.

The Charter School will distribute micro purchases equitably among qualified suppliers to the extent practical. The Charter School will ensure that purchases are made at a variety of stores. The Charter School will not limit its purchases to only one store unless it is not practical to equitably distribute (e.g., due to the distance of another store from the district office).

Micro purchases are not intended to be used to avoid a small, informal, or formal procurement. 2.2

Small Purchase Method (2 CFR, Section 200.320[b])

The small purchase method is used to procure goods and services when the aggregate value of the purchase is equal to or less than the small purchase threshold adhered to by the Charter School. The Charter School does not have a local small purchase threshold; therefore, the Charter School is required to adhere to the federal small purchase threshold of \$250,000. The Charter School will check the Federal Acquisition Regulation (FAR), Part 2, on the FAR web page at <https://www.acquisition.gov/?q=browsefar> annually on January 1 to verify the federal small purchase threshold.

The Charter School will follow the following steps when conducting procurements using the small purchase method:

- Step 1: The Charter School CEO or Designee will develop and provide a clear and accurate description of the technical requirements of the goods or services to be procured from potential sources per 2 CFR, Section 200.319(c)(1). The same specifications will be provided to each potential vendor so that each vendor can provide price quotes on the same goods or services.
- Step 2: Price or rate quotations will be obtained from a minimum of two responsible and responsive sources. Price quotes must be documented in writing per Charter School policy.

Charter School Small Purchase Quotation forms and other forms of written quotes submitted by potential vendors will be retained by the Charter School CEO or Designee with other related procurement documentation (e.g., invoices) for the term of the contract plus extensions and three additional school years, or until the next review by the CDE, whichever is longer.

- Step 3: The Charter School CEO or Designee will evaluate the written quotes received based on stated evaluation criteria in order to determine responsiveness.
- Step 4: The Charter School CEO or Designee will evaluate the written responses and references received based on stated evaluation criteria to determine responsibility.

V2. Last Amended and adopted by LCPS Board of Directors on July 17, 2024

- Step 5: The Charter School CEO or Designee will award small purchases to the lowest priced responsible and responsive vendor.
- Step 6: The Charter School CEO or Designee will monitor the contract to ensure goods or services solicited for are the ones received and all deliverables are met per 2 CFR, Section 200.318(b).

The Charter School will check for any changes to the micro purchase and small purchase thresholds approved by the federal awarding agency, the U.S. Department of Agriculture (USDA).

2.3 Formal Purchase Methods (2 CFR, Section 200.320[c][d])

The formal purchase method, used to procure goods and services when the estimated purchase price is above the federal small purchase threshold, is currently set at above \$250,000 effective August 1, 2018. Both Invitation for Bid (IFB) and Request for Proposal (RFP) methods are used by the Charter School. The Charter School CEO or Designee will check the FAR, Part 2, web page at <https://www.acquisition.gov/?q=browsefar> annually on January 1 to verify the federal small purchase threshold.

The Charter School will complete the following steps when conducting formal procurements:

- Step 1: The Charter School CEO or Designee will describe how it performs a cost or price analysis (2 CFR, Section 200.323) for every procurement in excess of the federal small purchase threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the Charter School CEO or Designee will make independent estimates before receiving bids or proposals to ensure the bids or proposals received are reasonable.
- Step 2: The Charter School CEO or Designee will develop a written solicitation, which will incorporate:
 - o A clear and accurate description of the technical requirements for the goods or services to be procured per 2 CFR, sections 200.319(c)(1) and 200.320(c)(d).
 - o All requirements that the offerors must fulfill and all other factors (IFBs and RFPs) and their relative importance (RFPs only) used in evaluating bids or proposals per 2 CFR, sections 200.319(c)(2) and 200.320(c)(d) to judge responsive and responsible firms
 - o Instructions for responding vendors
 - o The general terms and conditions of the contract
- Step 3: The Charter School CEO or Designee will advertise the solicitation in print and on websites at least 14 days prior to the deadline for submission of bids and proposals.

v2. Last Amended and adopted by LCPS Board of Directors on July 17, 2024

- Step 4: The Charter School will open bids resulting from IFBs at the time and place prescribed in the solicitation. RFPs will be opened according to Charter School determination.

The Charter School CEO or Designee will evaluate offers from responding firms by using the evaluation criteria outlined in the solicitation for both IFBs and RFPs. If there is not a minimum of two respondents, the Charter School CEO or Designee will review the solicitation to ensure that it is not limiting competition as outlined in 2 CFR, Section 200.319, and consider expanding advertising efforts before reissuing the solicitation or accepting the single bid.

The offers will be ranked based on cost only for IFBs and on evaluation criteria (i.e., technical criteria) and cost for RFPs for all responsible and responsive responders. Charter School CEO or Designee must describe their written method used to conduct a technical evaluation of all proposals received, as required by 2 CFR, Section 200.320(d)(1) for RFPs only. The Charter School CEO or Designee will negotiate the technical aspects of each RFP prior to negotiating the cost aspect of the RFP. Any or all bids may be rejected if there is sound documented reason.

- Step 5: Responsible and Responsive Contractors (2 CFR, Section 200.318[h])

The Charter School will award contracts only to responsive and responsible contractors possessing the ability to conform to all of the SFA's stated terms and conditions and to perform successfully under the terms and conditions of a 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. Charter School defines responsive as respondent conforms to all of Charter School stated terms and conditions and defines responsible as respondent is capable of performing successfully under the terms and conditions of the contract.

- Step 6: The Charter School CEO or Designee will award the contract to the responsible and responsive bidder who offers the lowest price for IFBs. All IFBs will result in a firm, fixed-price

contract.

For RFPs, the Charter School CEO or Designee will award the contract to the responsible and responsive respondent whose proposal is most advantageous to the Charter School, with price and other factors considered. All RFPs will result in either a fixed-price or cost reimbursable contract. Cost plus a percentage of cost contracts will never be used.

- Step 7: The Charter School CEO or Designee will monitor the contract per 2 CFR, Section 200.318[b] by:

- o Overseeing deliveries to ensure that the goods solicited for were received
- o Periodic on-site visits to ensure services solicited are being satisfactorily performed

v2. Last Amended and adopted by LCPS Board of Directors on July 17, 2024

- o Reviewing the contract's terms, conditions, and deliverables monthly to ensure that they are being met and done so in accordance with all federal, state, and local rules
- o Ensuring that discounts, rebates, and credits in cost reimbursable contracts are provided

2.4 Noncompetitive Procurement Method (2 CFR, Section 200.320[f])

The Charter School will only enter into a noncompetitive agreement when one or more of the following circumstances apply:

- The item is available only from a single source.
- An emergency exists, and the urgency for the requirement will not permit a delay resulting from competitive solicitation.
- The Charter School received prior approval from the CDE after submitting a written request to the CDE with justification for conducting a noncompetitive procurement.
- After solicitation from a number of sources, competition is determined inadequate.

3. Purchasing Cooperatives and Intergovernmental Procurement (2 CFR, Section 200.318[e])

The Charter School may choose to make purchases through a cooperative agreement with a group of other schools to increase purchasing power or the Charter School may piggyback on contracts awarded to a vendor from a school district when all procurement principles are followed.

While intergovernmental agreements can benefit the Charter School, the Charter School may only enter into an intergovernmental agreement with a local government (e.g., school district). Charter School may also join or piggyback onto a cooperative when that agreement was procured and awarded consistent with federal and state procurement regulations.

The Charter School CEO or Designee will carefully review the solicitation issued by a cooperative. The Charter School CEO or Designee will ensure the procurement of the contract, and the contract itself, complies with applicable federal, state, and local procurement rules. The Charter School CEO or Designee will confirm that the addition of their purchasing power to the procurement does not create a material change in scope or in services.

For cooperative purchasing, the Charter School CEO or Designee must maintain a copy of the solicitation

and contract, proof of advertising, and bid award documents (e.g., evaluation documentation) from the lead entity on file for the term of the contract, plus any extensions, and three additional school years.

For piggybacking, a copy of the solicitation and contract, including the piggyback clause, proof v2. Last

Amended and adopted by LCPS Board of Directors on July 17, 2024

of advertising, and bid award documents (e.g., evaluation documentation) must be retained for the term of the contract plus extensions and three additional school years.

A copy of all documents listed above will be made available during a procurement review.

4. Small and Minority Businesses, Women's Business Enterprises (2 CFR, Section 200.321)

The Charter School CEO or Designee will ensure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible in the Charter School's determination by taking the following affirmative steps:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists
2. Assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises
5. Using the services and assistance, as appropriate, of organizations such as the Small Business Administration and the Minority Business Development of the Department of Commerce
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section

5. Duplication of Goods or Services (2 CFR, Section 200.318[d])

The Charter School will avoid the acquisition of unnecessary or duplicative items by determining whether the goods or services are necessary and ensuring that their purchase does not duplicate items or bids that the Charter School already has in place. The Charter School CEO or Designee will provide the Charter School CEO or Designee with documentation justifying that the purchase of all goods and services requested are required and not duplicative prior to conducting a procurement.

6. Competition (2 CFR, Section 200.319[a][1–5, 7])

The Charter School will conduct all procurement transactions in a manner providing full and open competition. Situations where competition is limited will be avoided by the Charter School. Some of these situations include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business ●

Requiring unnecessary experience and excessive bonding

- Organizational conflicts of interest
- Specifying only a brand name product instead of allowing an equivalent product to be offered
- Any arbitrary action in the procurement process

When a procurement has been properly conducted, and there is only one respondent, Charter School will evaluate the scope of work or services requested to determine whether they were too restrictive by contacting potential respondents who did not participate, and by reviewing the requested services for possible modification. Charter School will then resolicit. If, after the second solicitation, there is only one respondent, Charter School will move forward with that award.

7. Brand Name or Equivalent (2 CFR, Section 200.319[a][6])

When using a brand name or product code in the specification, the Charter School will adhere to the following procedures:

- The Charter School CEO or Designee will ensure that the description in the specification will always include a clause that an equivalent product is acceptable.
- A copy of the specified brand or code will be posted on the Charter School website by the CEO or Designee so vendors can verify that the product they are bidding on is actually an equal.
- Vendors bidding an item as an equal product to the brand name specified will be required to provide the Charter School CEO or Designee with a product specification sheet and a sample case of the product for taste testing and verification by all Charter School nutrition department staff and a selected number of students to ensure that the product is an equal product to the brand name specified.

8. Contractor Involvement (2 CFR, Section 200.319[a])

The Charter School will ensure objective contractor performance and eliminate unfair competitive advantage by excluding contractors that develop or draft specifications, requirements, statements of work, and IFBs and RFPs from competing for such procurements. The Charter School CEO or Designee will maintain documentation to prove that the appropriate procurement procedures were used and that the final selection is the most efficient and economical for the Charter School.

9. Clear and Accurate Description of Technical Requirements Required (2 CFR, Section 200.319[c][1–2])

The Charter School will have written procedures for procurement transactions. These procedures will ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service being procured and will not contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service being procured and minimum essential characteristics and standards. A brand name or equivalent

description may be used as a means to define the performance or other salient requirements of procurement. The specific desired features of the named brand must be clearly stated, along with all requirements which the offerors must fulfill, and all other factors to be used in evaluating bids or proposals.

10. Bid Protest (2 CFR, Section 200.318[k])

The Charter School is responsible, in accordance with good administrative practice and sound business judgment, 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. These standards do not relieve the Charter School of any contractual responsibilities under its contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

All solicitations over the Simplified Acquisition Threshold must include bid protest language. The Charter School accepts a prospective bidder's protest to a bid award if the protesting party believes the award is not in compliance with the law, does not follow bid procedures, or does not meet bid specifications. A protest must be filed with the Charter School designated point of contact for that bid. Such protests must be made in writing and received by the Charter School Business Services Office within five working days of bid award date and shall include all documents supporting or justifying the protest. The protesting party must mail or deliver copies of the protest to the Charter School Business Services Office. A bidder's failure to file the protest documents in a timely manner shall constitute a waiver of their right to protest the award of the contract.

11. Maintenance of Records (2 CFR, Section 200.318[i])

The Charter School will maintain records sufficient to detail the history of the procurement. These records will include, but are not necessarily limited to, the following: Rationale for the method of procurement, selection of contract type, contractor selection or rejection, a copy of the solicitation and contract, the basis for the contract price (the bidding history), rationale and approval for noncompetitive procurements, any contract amendments, billing and payment records, and a history of contractor claims and for the full term of the contract plus extensions and three additional school years, or until the next review by the CDE. The CDE and USDA reviewers shall have full access to and the right to examine all procurement documentation occurring during this time period.

12. Contract Management (2 CFR, Section 200.318[b])

The Charter School must maintain oversight to ensure that contractors perform in accordance v2. Last

Amended and adopted by LCPS Board of Directors on July 17, 2024

with the terms, conditions, and specifications of their contracts or purchase orders. Charter School will perform the following tasks to ensure compliance: require periodic status updates from the vendor/contractor at intervals reasonably tailored to the particular project; inspect project status personally, if possible; and other measures as deemed suitable by the Charter School based on the nature of the project.

13. Certifications (including, but not limited to 2 CFR, Appendix II)

The Charter School will require any successful respondent to provide proof of having and maintaining, during the life of any contract with the Charter School, Public Liability and Property Damage Insurance to protect themselves and the Charter School from all claims for personal injury, including accidental death, as well as from all claims for property damage arising from the operations any contract that the Charter School enters into.

The Charter School will not enter into a contract with any company or individual that has been debarred or suspended. The Charter School will require that vendors and potential vendors certify their compliance with

the Lunsford Act, which prohibits anyone required to register as a sex offender under Article 27A of Chapter 4 of the General Statutes from knowingly being on the premises of any school.

Vendors that are awarded contracts are required to submit a completed Debarment and Suspension Certificate, and Disclosure of Lobbying Activities. These forms must be completed prior to commencement of work.

4891-2810-6817, v. 2

v2. Last Amended and adopted by LCPS Board of Directors on July 17, 2024

Appendix 5: Credit Card Agreement

Fiscal Control Policies & Procedures Credit Card Usage Agreement Updated: July 1, 2024

Certain qualified employees (hereby “qualified employee”) at LCPS are allowed access to the use of a school-issued credit card. This agreement explains the terms of usage required when using that card. All terms are subject to the LCPS Fiscal Control Policies approved by the LCPS Board.

Card Basics

Lighthouse Community Public Schools maintains a corporate account with Wells Fargo’s Elite Credit Card. An Elite Card will be issued to a qualified employee upon acceptance of this agreement.

Use of Card governed by LCPS Fiscal Control Policies ([link to Finance Hub](#))

As a requirement for the issuance of an LCPS card, the qualified employee must comply with LCPS board-approved policies. These policies are subject to future revision and approval.

In line with the Fiscal Control Policies, any qualified employee must follow these practices:

A qualified employee may utilize an organization-issued credit card. Credit Limits are minimal, reflecting the need for this card to be used only in emergencies, or on platforms that exclusively require credit card purchasing.

Who is eligible for this card?

- Only individuals in Budget Management roles and with spending authority in line with the LCPS Fiscal Policy can be authorized by the Director of Finance to receive and utilize an LCPS credit card. The qualified employee must sign off on the Usage Agreement prior to LCPS registering and issuing this card.

What expenses can be purchased using this card?

- The two primary factors a Budget Manager must assess are: expediency and platform. If an emergency situation arises, or if a vendor only accepts credit card payment, use of the Elite card may make sense.
- Example:
 - A PLC decides to read a book, and needs 4 copies. One participant asks his/her supervisor to place an order via Amazon so that it arrives the next day. The budget manager deems that this is urgent & that expedited shipping costs - if applicable - are worth it, and places the order.

What processes must be followed?

- The Cardholder must maintain ownership of the assigned credit card and is responsible for all purchases made through that card. Any potential instances of fraudulent behavior seen on the user's statement should be reported to the LCPS Head of Finance immediately.
- All credit card receipts must be submitted along with a completed cover sheet in a Google Docs folder created by Finance weekly (no later than the 15th of the month). Any hard copy receipts must be taped to a sheet of 8.5 x 11 paper, scanned, and submitted in that folder.
- All receipts must be itemized.

Credit Limits

Individual card limits are established in compliance with the LCPS Fiscal Control Policies, not to exceed the amount specified as the qualified employee's approval limit.

LCPS Rights

Lighthouse Community Public Schools reserves the right to restrict the use of this card at any time and without prior notice to the qualified employee. The intent of this right is to comply with all applicable rules and regulations with which LCPS must comply.

Acknowledgment

I understand the terms of this Credit Card Usage Agreement and hereby request the issuance of a Lighthouse Community Public Schools credit card.

Lighthouse Finance Department:	Employee:
Signature: _____	Signature: _____
Name (print): _____ _____	Name (print): _____ _____
Title: _____	Title: _____ _____
Date: _____	Date: _____

Appendix 6:
Travel Policy Guide

LCPS Travel Policy Guide

The purpose of the travel quick guide is to help ensure that we have clear practices when it comes to traveling. Please reference the finance handbook for more detailed description.

Travel Reimbursement Guidelines snapshot from the LCPS Fiscal Policy Handbook:
Employees must receive authorized approval prior to all work-related travel. Mileage will be reimbursed at the organization-approved mileage rate, not to exceed the current IRS reimbursement rate.
For the purposes of mileage reimbursement, where a trip is commenced or terminated at the employee's home, the distance traveled shall be reduced by the employee's home-to-office commute distance.
Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by an administrator and the event is more than 50 miles from either the employee's residence or the school site. Hotel rates will be negotiated at the lowest level possible, including the corporate, nonprofit or government rate if offered, and the lowest rate available.
Employees will be reimbursed up to the established per diem rate found at the US General Services Administration for any breakfast, lunch, dinner, or incidental expense that is not included as part of the related event. Employees will be responsible for any excess expenses beyond the established per diem rate.
Transportation expenses such as airfare will be purchased at the lowest rate available.
Employees should utilize bus/shuttle service whenever possible. When traveling in groups, taxis or rideshares may be more economical. Employees should choose between long-term parking or a taxi/rideshare based on whichever is more economical for the organization.
Travel to-and-from airports from designated hotels is reimbursable on business trips/conferences so long as no stops are made along the way.
After the trip, the employee must enter all of the appropriate information on an expense reimbursement form, attach original receipts, and submit it to their supervisor for approval, per the prescribed Reimbursement process.

Travel reimbursement Guidelines from the U.S General Services & Administration (no alcohol beverages are reimbursable)	
Food	OVERALL: \$74 per day, per meal amounts enforced. Breakfast: \$17 Lunch: \$18 Dinner: \$34 Incidental Expenses: \$5
Mileage	\$0.67 per mile (Jan 2024)
Lodging	\$189 per night

Appendix 7:
Food for Meetings/Events Form

Lighthouse Community Public Schools

Food for Meetings/Events Form

Date:

Meeting/Meeting Description:

List of Attendees:

Names

Approved By:

Name	Title
------	-------

--	--

Appendix 8:
List of Frequent Office Supplies Purchased

List of Frequent Office Supplies Purchased

Bi Weekly

- Teachers individual orders (Order requests are due the 2nd and 4th Friday of each month to finance)

Monthly

- 20 boxes of paper MS & HS
- 20 boxes of paper K-5

Quarterly

- Kleenex
- Pencils
- Pens
- Color Pencils MS only
- Glue MS only
- Post-its
- Envelopes
- Hall Passes

Annually

- Dry Erase Markers
- Erasers
- Dry Erase Cleaner
- Paper Clips
- Blue Tape
- Scotch Tape
- Color Paper
- Push Pins
- Manila and filing folders
- Stapler
- Staples
- Index Cards
- Sharpies

Office Management Supplies

Quarterly

- Tardy Passes
- Envelopes
- Post it