



Xavier Charter School Policy Manual

Table of Contents

7000 SERIES—FINANCIAL MANAGEMENT

Goals	7000
Fund Balance Policy in Accordance with GASB Statement #54	7005
Budget	
Budget and Program Planning	7100
Budget Implementation and Execution.....	7110
Budget Adjustment	7120
Revenues	7125
Gifts and Bequests	7126
Reserve and Surplus Funds.....	7128
Accounting System	
Accounting System Design.....	7200
Documentation and Approval of Claims	7220
Financial Fraud and Theft Prevention	7225
Revenues	
Advertising in Schools/Revenue Enhancement.....	7310
Expenses	
Purchasing.....	7400
Procurement Under a Federal Award	7400P
Public Works Contracting and Procurement.....	7405
Public Procurement of Goods and Services.....	7407
Capital Expenditures and Depreciation	7410
Personal Reimbursements.....	7420
Travel Allowances and Reimbursement Procedure.....	7430

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7000 Goals

Since educational programs are dependent on adequate funding and the proper management of those funds, Xavier Charter School goals can best be attained through efficient fiscal management. As trustee of state and federal funds allocated for use in public education, the Board shall fulfill its responsibility to see that funds are used to achieve the purposes intended. Because of resource limitations, fiscal concerns often overshadow the educational program. Recognizing this, the school must take specific action to ensure that education remains primary. This concept shall be incorporated into Board operations and into all aspects of school management and operation.

In the school's fiscal management, the Board seeks to achieve the following goals:

1. Engage in advance planning, with employees and community involvement, to develop budgets that will achieve the greatest educational returns in relation to dollars expended.
2. Establish levels of funding which shall provide superior education for the school's students.
3. Provide timely and appropriate information to employees who have fiscal responsibilities.
4. Establish efficient procedures in all areas of fiscal management.
5. Establish procedures that will assure the school shall remain financially sound.

Legal Reference: Title 20, Chapter 7, Idaho Code Fiscal Affairs of Schools

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7005 Fund Balance Policy in Accordance with GASB Statement No. 54

Purpose

The following policy has been adopted by Xavier Charter School in order to address the implications of Governmental Accounting Standards Board (“GASB”) Statement No. 54, Fund Balance Reporting and Governmental Fund Definitions. The policy is created in consideration of unanticipated events that could adversely affect the financial condition of Xavier Charter School and jeopardize the continuation of necessary public services. This policy and the procedures promulgated under it supersede all previous regulations regarding Xavier Charter School’s fund balance and reserve policies.

Fund Type Definitions

The following definitions will be used in reporting activity in governmental funds across Xavier Charter School. Xavier Charter School may or may not report all fund types in any given reporting period, based on actual circumstances and activity.

- The general fund is used to account for all financial resources not accounted for and reported in another fund.
- Special revenue funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.
- Debt service funds are used to account for all financial resources restricted, committed or assigned to expenditure for principal and interest.
- Capital projects funds are used to account for all financial resources restricted, committed or assigned to expenditure for the acquisition or construction of capital assets.
- Permanent funds are used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support Xavier Charter School’s purposes.

Fund Balance Reporting in Governmental Funds

Fund balance will be reported in governmental funds under the following categories using the definitions provided by GASB Statement No. 54:

Nonspendable fund balance

Definition – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance

Definition – includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed fund balance

Definition – includes amounts that can be used only for the specific purposes determined by a formal action of Xavier Charter School’s highest level of decision making authority, the Board of Directors.

Authority to Commit – Commitments will only be used for specific purposes pursuant to a formal action of the Board. A majority vote is required to approve a commitment and a two-thirds majority vote is required to remove a commitment.

Assigned fund balance

Definition – includes amounts intended to be used by Xavier Charter School for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Authority to Assign – The Board delegates to the Head of Schools or his/her/their designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

Unassigned fund balance

Definition – includes the residual classification for the District’s general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Operational guidelines

The following guidelines address the classification and use of fund balance in governmental funds:

1. Classifying fund balance amounts – Fund balance classifications depict the nature of the net resources that are reported in a governmental fund. An individual governmental fund may include non-spendable resources and amounts that are restricted, committed, or assigned, or any combination of those classifications. The general fund may also include an unassigned amount.

2. Encumbrance reporting – Encumbered amounts will not be carried into a new fiscal year. All encumbrances and outstanding purchases orders at year end will become void at year end.
3. Prioritization of fund balance use – When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of Xavier Charter School to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of Xavier Charter School that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

Legal Reference: I.C. § 33-701 et seq. Fiscal Affairs of School Districts
I.C. § 33-901 et seq. School Funds
Governmental Accounting Standards Board (“GASB”) Statement No. 54

Policy History:

Adopted on: September 2012

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7100 Budget and Program Planning

The annual budget is evidence of the Board's commitment to the objectives of the instruction programs. The budget supports the immediate and long-range goals and established priorities within all areas, instructional, non-instructional and administrative programs. Prior to presentation of the proposed budget for adoption, the Head of Schools shall prepare, for the Board's consideration, recommendations (with supporting documentation) which shall be designed to meet the needs of students within the limits of anticipated revenues. Program planning and budget development shall provide for staff participation and the sharing of information with patrons prior to action by the Board.

The Board of Directors shall adopt an annual budget on a basis consistent with the GAAP (generally accepted accounting principles) in compliance with Title 33 Chapter 8 of Idaho code. The following procedures are followed in establishing the budget for the District:

1. At least 28 days prior to its annual meeting, the board of directors shall have prepared a budget in a form prescribed by the state superintendent of public education, and shall have notified the public of the budget hearing.
2. The Board of Directors shall adopt a budget for the ensuing year at a public budget hearing, generally held during June's regular board meeting or at a special meeting held no later than 14 days after the public hearing.
3. The Board of Directors shall have published a four year summary statement of the budget 10 days prior to the public budget hearing and a complete copy of the budget shall be submitted to the Idaho State Board of Education 21 days after adoption and no later than July 15th.
4. The District may amend the budget any time during the year with approval by the Board of Directors. The above procedures must be followed each time a budget amendment is made.

Legal Reference: I.C. § 33-801

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7110 Budget Implementation and Execution

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

1. Expenditure of funds for the employment and assignment of staff shall meet the legal requirements of the State of Idaho and adopted Board policies.
2. Funds held for contingencies may not be expended without prior approval from the Board.
3. Purchase orders must be approved by the Head of Schools prior to actual commitment of the purchase.
4. A listing of warrants describing goods and/or services for which payment will be made must be presented for Board approval each month.
5. Purchases shall be made according to the legal requirements of the State of Idaho and adopted Board policy.
6. All purchases over \$50,000 must be bid publicly according to the legal requirements of the State of Idaho.

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

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015; October 18, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7120 Budget Adjustments

This Board shall review the school's budget periodically and make appropriate budget adjustments to reflect the availability of funds and the requirements of the school. Any person(s) proposing a budget amendment must provide written notice of the same to each board member at least seven (7) days in advance of the meeting at which such budget amendment will be proposed.

The process for amending the budget will be the same as for the original budget as stated in Policy 7100.

Budget amendments are specifically authorized by I.C. § 33-701.

Legal Reference: I. C. § 33-402; I.C. § 33-701

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015; October 18, 2018

Xavier Charter Schools

FINANCIAL MANAGEMENT

Policy: 7125 Revenues

Xavier Charter School will seek and utilize all available sources of revenue for financing its educational programs. This includes revenues from non-tax, local, state and federal sources. All revenues received for Xavier Charter School will be properly credited to the appropriate fund and account as specified by federal and state statute and the accounting, reporting regulations for Idaho school schools, and in accordance with the guidelines of the IFARMS system.

It shall be the policy of Xavier Charter School to accept gifts, grants and bequests in the form of money and or property when it is in the best interest of Xavier Charter School to do so. Once accepted by the school, the gift, grant and/or bequest will become the sole property of the school and subject only to the control of the school but in compliance with legally restricted federal/state grant regulations and grantor requirements.

The school will collect and deposit all direct receipts of revenues as necessary but at least once weekly. The school will make an effort to collect all revenues, in a timely manner, due from all sources, including, but not limited to, rental fees, bus fees, fines, tuition fees, other fees and charges.

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7126 Gifts and Bequests

The Head of Schools shall have the authorization to accept on behalf of and for the school any gift or bequest of money or property for a purpose to further educational opportunities. If the gift is undesignated, money shall be used for purposes approved by the Board. If the bequest has limitations or specific purposes, the Head of Schools shall place the gift or bequest on the agenda for the next Board meeting. The Board shall vote to accept or reject the gift/bequest. A budget fund shall be established to insure that the gift/bequest is used as intended. Monetary gifts shall be reported to the Board.

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7128 Reserve and Surplus Funds

Balances in the general fund at the end of the year may be placed in a contingency reserve fund for the next fiscal year as committed by the Board as described in Policy 7005.

The Board may invest with the State Treasurer or any other investment allowed by State statute contingency reserve monies. The interest from such investments shall be deposited into the general fund account.

The Board Treasurer has the authority to invest with the State Treasurer or any other investment allowed by State statute when a surplus of money exists.

Legal Reference: Idaho Code § 33-701 (10)

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7200 Accounting System Design

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

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). These financial statements present the District (the primary government) and any component units of the District. As defined by GASB No. 14, component units are legally separate entities that are included in the District's reporting entity because of the significance of their operating or financial relationships with the District. To comply with GASB No.'s 34 and 37, year-end statements will be provided based on the Government-wide statements and the Fund Financial statements.

In the Government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

Policy History:

Adopted on: September 2012

Reviewed on: September 20, 2018

Revised on: October 22, 2015

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7220 Documentation and Approval of Claims

All financial obligations and disbursements must be documented in compliance with the statutory provisions and audit guidelines. The documentation will specifically describe acquired goods and/or services, the budget appropriations applicable to payment, and the required approvals. All purchases, encumbrances and obligations, and disbursements must be approved by the Head of Schools. The responsibility for approving these documents should not be delegated. The Xavier Charter School business office will be responsible for the development of the procedures and forms to be used in the requisition, purchase and payment of claims.

Policy History:

Adopted on: September 2012

Reviewed on: September 20, 2018

Disclaimer:

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

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7225 Financial Fraud and Theft Prevention

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

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

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

Staff Responsibilities

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

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

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

Definition

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

- Behaving in a dishonest or false manner in relation to Xavier Charter School assets, including theft of funds, securities, supplies or other Xavier Charter School properties.
- Forging or altering financial documents or accounts illegally or without proper authorization.
- Improper handling or reporting of financial transactions
- Personally profiting as a result of insider knowledge
- Disregarding confidentiality safeguards concerning financial information
- Violating Board conflict of interest policies
- Mishandling financial records of Xavier Charter School assets (destroying, removing or misusing)

Internal Controls

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

- Budgetary Transfers. The transfer of appropriations is important for the Head of Schools, Business Manager, and each should have written confirmation of the information.
- Checks. The Business Manager shall keep personal custody of any signature stamps and maintain a log for every check written.
- Audit. The Board Treasurer or his/her designee shall audit the check register regularly and conduct background checks on potential business office employees. Check all possible references, not just those offered, and perform criminal background checks on key business officials and other warranted.
- Segregate functions within the business office whenever possible to ensure detection of fraud at its earliest stage. Effective immediately, all incoming mail is opened by administrative clerks before delivering them to the business office and administrative staff.

Policy History:

Adopted on: April 15, 2014

Revised on: March 18, 2014; September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7310 Advertising in Schools/Revenue Enhancement

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

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

The revenue derived should:

1. Enhance student achievement;
2. Assist in the maintenance of existing Xavier Charter School athletics and activity programs; and
3. Provide scholarships for students participating in athletic, academic, and activity programs who demonstrate financial need and merit.

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

1. Fixed signage;
2. Banners;
3. Xavier Charter School-level publications;
4. Television and radio broadcasts;
5. Athletic facilities, to include stadiums, high school baseball fields, and high school gymnasiums;
6. Xavier Charter School level projects;
7. Expanded usage of facilities beyond traditional use, such as concerts, rallies, etc.;
8. Interior and exterior of a limited number of Xavier Charter School buses only if the advertising is associated with student art selected by Xavier Charter School. The only

advertising information will note that the student art is sponsored by the participant in Xavier Charter School sponsorship. Maintenance for these buses will include but not exceed normal maintenance costs; and

Advertising will not be allowed in classrooms, and corporate-sponsored curriculum materials are subject to the requirements of Board policy.

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

1. Promote hostility, disorder or violence;
2. Attack ethnic, racial, or religious groups;
3. Discriminate, demean, harass, or ridicule any person or group of persons on the basis of gender;
4. Be libelous;
5. Inhibit the functioning of Xavier Charter School;
6. Promote, favor, or oppose the candidacy of any candidate for election, adoption of any bond/budget issues, or any public question submitted at any general, county, municipal, or Xavier Charter School election;
7. Be obscene or pornographic as defined by prevailing community standards throughout Xavier Charter School;
8. Promote the use of drugs, alcohol, tobacco, firearms, or certain products that create community concerns;
9. Promote any religious or political organization;
10. Promote foods or beverages which do not meet the standards for foods sold at school. This restriction shall apply to all advertising, including signage, scoreboards, school stores, cups, packaging, vending machines, trash cans, coolers, menu boards, and food service equipment;
11. Use any Xavier Charter School or school logo without prior approval; or
12. Use age-inappropriate material.

Exception

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

Solicitations

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

Cross Reference: 2100 Curriculum Development and Assessment
2500 Library Materials
2520 Curricular Materials

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

Policy History:

Adopted on: March 8, 2017

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7400 Purchasing

The Board of Directors has a legal and ethical responsibility to assure the wise and appropriate use of public funds. The purchasing function of the school will pursue the greatest value for every tax dollar expended. All purchasing and procurement will be conducted in accordance with all applicable sections of Titles 33, 54, 59, and 67, Idaho Code as amended.

The Head of Schools is authorized to direct expenditures and purchases within the limits of the detailed annual budget for Xavier Charter School year and pursuant to state purchasing and federal procurement requirement. Board approval for purchase of capital outlay items is required when the aggregate total of a requisition exceeds \$5,000.00 except the Head of Schools shall have the authority to make capital outlay purchases without advance approval when it is necessary to protect the interests of Xavier Charter School or the health and safety of the staff or students. The Head of Schools shall establish requisition and purchase order procedures as a means of controlling and maintaining proper accounting of the expenditure of funds that align with state purchasing and federal procurement requirements. Employees cannot obligate Xavier Charter School without express authority. Should an employee attempt to obligate Xavier Charter School without proper authorization may be held personally responsible for payment of such obligations.

Personnel Conflicts of Interest

No employee will make any purchase or incur any obligations for or on behalf of Xavier Charter School from any private business, contractor, or vendor in which or with which the employee has a direct or indirect financial or ownership interest. Purchases or contracted services from any private business or venture in which any employee of Xavier Charter School has a direct or indirect financial or ownership interest will be made on a competitive bid basis strictly in accordance with the following procedures:

- * The interested employee will fully disclose to the Board of Directors in writing the employee's relationship to the business, the contractor, or the vendor and the interested employee will not be involved in any part of bidding process, including but not limited to, preparing specifications, advertising, analyzing, or accepting bids.

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

Cross Reference: 7400P Procurement Under a Federal Award
7405 Public Works Contracting and Procurement
7407 Public Procurement of Goods and Services

Legal Reference: I.C. § 18-1351 Bribery and Corrupt Practices – Definitions
I.C. § 33-316 Cooperative contracts to employ specialized personnel
I.C. § 33-402 Notice requirements
I.C. § 33-601 Real and Personal Property - Acquisition
I.C. § 67-2805 Procurement of Public Works Construction
I.C. § 67-2806 Procuring Services or Personal Property
I.C. § 67-2806A Request for Proposal
I.C. § 74-401 Ethics in Government

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015; August 16, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7400P Procurement Under a Federal Award

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

1. Maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
2. Avoid acquiring unnecessary or duplicative items;
3. 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.
4. 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.
5. Maintain records sufficient to detail the history of procurement. These records will include:
 - A. Rationale for the method of procurement;
 - B. Selection of contract type;
 - C. Contractor selection or rejection; and
 - D. The basis for the contract price.
6. The use of a time and materials type contract is prohibited unless Xavier Charter School determines that no other contract is suitable. Time and materials type contract means a contract whose cost to Xavier Charter School is the sum of:
 - A. The actual cost of materials; and
 - B. The direct labor hours charged at an hourly rates that reflect wages, general and administrative expenses, and profit.

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

7. 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.
8. Xavier Charter School will adhere to any additional procurement rules as applicable to specific federal programs.

Legal Reference:	U.S.C § 200.317	Procurement by States
	U.S.C § 200.318	General Procurement Standards
	U.S.C § 200.320	Methods of Procurement to be Followed

Policy History:

Adopted on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7405 Public Works Contracting and Procurement

No contract involving a public works project shall be let to any contractor who is not licensed as required by the laws of this State. Further, Xavier Charter School shall at all times adhere to the bidding requirements for public works contracting and procurement as set out in State law.

Public Works Contractor Licensure Requirements

\$0 to \$50,000	No licensure requirement	I.C. § 54-1903(9)
\$50,000 and above	Licensure required	I.C. § 54-1903(9)

Exemptions from Public Works Contractor Licensure

Less than \$50,000 for construction, alteration, improvement, or repair.	Single project with any number of trades	I.C. § 54-1903(9)
Any construction, alteration, or repair due to an emergency.	Pursuant to the provision of, Chapter 10, Title 46 Idaho Code	I.C. § 54-1903(11)

Public Works Construction Bidding

\$0 to \$50,000	No bidding requirements	I.C. § 67-2803(2)
\$50,000 to \$200,000	Semi-formal bidding: Issue written requests for bids describing the work to at least 3 licensed contractors. Allow 3 days for written response; objections 1 day prior to bid. Keep records for 6 months. <u>Accept low bid, or reject all bids.</u>	I.C. § 67-2805(1)
\$4200,000 and above	Formal bidding 2 Options A & B: Category A – Open to all licensed contractors. Publication requirements. Written objections allowed. May request bid security/bond. <u>Accept low bid, or reject all bids.</u> See code for details. (I.C. § 67-2805(2)(a).) Category B – Open to pre-qualified contractors. After pre-qualification is determined, the bidding process is in the same manner as Category A. (I.C. § 67-2805(2)(b).)	I.C. § 67-2805(2)

Legal Reference: I.C. § 54-1903 Unlawful to Engage in Public Works Contracting Without License - Exemptions
I.C. § 67-2801 et seq. Purchasing by Political Subdivisions

Policy History:

Adopted on: January 18, 2018

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7407 Public Procurement of Goods and Services

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

\$0 to \$50,000	No bidding requirements	I.C. § 67-2803(2)
\$50,000 to \$100,000	Semi-formal bidding: Issue written requests for bids describing goods or services desired to at least three vendors. Allow three days for written response, unless an emergency exists; One day for objections. Keep records for six months. <u>Accept low bid, or reject all bids.</u>	I.C. § 67-2806(1)
\$100,000 and above	Formal bidding: Publish bid notice at least two weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid security/bond. Can reject all if able to purchase more economically in the open market.	I.C. § 67-2806(2)

Exemptions to Public Procurement of Goods and Services Bidding

Personal Property	Already competitive bid (piggy-backing)	I.C. § 67-2803(1)
Less than \$50,000	Contracts or purchases of goods or services	I.C. § 67-2803(2)
Any Amount	Payments of Wages	I.C. § 67-2803(3)
Any Amount	Personal or professional services performed by an independent contractor. (Refer to info on qualifications in I.C. § 67-2320)	I.C. § 67-2803(4)
Any Amount	Procurement of an interest in real property – lease or purchase	I.C. § 67-2803(5)
Any Amount	Procurement of insurance	I.C. § 67-2803(6)
Any Amount	Costs of Joint Powers participation	I.C. § 67-2803(7)
Any Amount	Procurement of used personal property	I.C. § 67-2803(8)
Any Amount	Procurement from federal government general services administration (GSA) schedules or federal multiple award schedules (MAS)	I.C. § 67-2803(9)
Any Amount	Procurement of personal property or services through contracts entered into by the division of purchasing of the department of administration of the state of Idaho	I.C. § 67-2803(10)
Any Amount	Procurement of goods for direct resale	I.C. § 67-2803(11)
Any Amount	Procurement of travel and training;	I.C. § 67-2803(12)
Any Amount	Procurement of goods and services from Idaho correctional industries	I.C. § 67-2803(13)

Any Amount	Procurement of repair for heavy equipment	I.C. § 67-2803(14)
Any Amount	Procurement of software maintenance, support and licenses of an existing system or platform that was bid in compliance with state law	I.C. § 67-2803(15)
Any Amount	Procurement of public utilities	I.C. § 67-2803(16)
Any Amount	Procurement of food for use in jails or detention facilities	I.C. § 67-2803(17)
Any Amount	Procurement of used equipment at an auction if authorized by the governing board	I.C. § 67-2803(18)
Any Amount	Emergency Expenditures	I.C. § 67-2808(1)

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

Policy History:

Adopted on: January 18, 2018

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7410 Capital Expenditures and Depreciation

The accounting treatment over capital assets (property, plant, and equipment) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. For fund financial statements, the District has maintained a \$500 limit before an item is recorded as a capital expenditure. The limits for the government-wide statements vary and are shown below.

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation based on its capitalization amount. The range of estimated useful lives and capitalization limits by type of asset are as follows:

<u>Description</u>	<u>Life</u>	<u>Capitalization Amount</u>
Aggregate Cost of Library Books	3	\$5,000
Automobiles	5	\$5,000
Office and Light-weight Equipment	5	\$5,000
Heavy Equipment	7	\$10,000
Buildings and Improvements	40	\$15,000
Infrastructure	50	\$50,000

Policy History:

Adopted on: September 2012

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7420 Personal Reimbursements

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

1. It is clearly demonstrated that the purchase is of benefit to the school.
2. The purchase was made with the prior approval of an authorized administrator.
3. The item purchased was not available from resources within the school.
4. The claim for personal reimbursement is properly accounted for and documented with an invoice/receipt.
5. If the sales tax was paid by the employee, that portion will not be refunded to the employee.

The school business office will be responsible for the development of the procedures and forms to be used in processing claims for personal reimbursements with the approval of the Head of Schools.

Policy History:

Adopted on: September 2012

Revised on: September 9, 2015

Reviewed on: September 20, 2018

Xavier Charter School

FINANCIAL MANAGEMENT

Policy: 7430 Travel Allowances and Reimbursement Procedure

Employees will be reimbursed for travel expenses while engaged in official Xavier School business with prior approval from the Head of Schools. All travel expenses must be reported on the established travel expense and voucher forms. For all travel, approval must be granted prior to traveling by the Head of Schools. Reimbursements for mileage and food shall be set annually by the IRS business mileage rate and IRS per diem. The Board of Directors will be responsible for the development of procedures and forms to be used in connection with travel expense claims and reimbursements.

Legal Reference: I.C. § 33-701 Fiscal year B Payment and accounting of funds

Policy History:

Adopted on: September 2012

Revised on: December 9, 2015; April 13, 2016

Reviewed on: September 20, 2018