

GENESIS INNOVATION ACADEMY
Financial Policy

GENESIS INNOVATION ACADEMY, INC.

FINANCIAL POLICY

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ANNUAL OPERATING BUDGET POLICY

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Budget Process

SECTION 1.1. Compliance. The Head of Schools, CFO and Board Treasurer will ensure that Genesis follows a budgeting process that is consistent with the requirements of federal and Georgia statutes, State Board of Education Rules and Regulations and any other applicable laws or rules.

SECTION 1.2. Preparation. The Chief Financial Officer (CFO) and Head of Schools are responsible for the preparation of the annual budget in collaboration with the Board Treasurer.

SECTION 1.3. Needs Analysis. Each year before the annual operating budget is drafted the Head of Schools and the CFO shall ensure that a needs assessment of Genesis is drafted and finalized by a budget committee consisting of the CFO, the Head of Schools, the School Directors, the Director of Business Operations and other individuals as designated by the Board. The needs assessment shall inform the drafting of the annual budget.

SECTION 1.4. Public Review. In keeping with state policy, the Board shall schedule, announce, and hold two public budget meetings prior to voting to adopt a budget. Public comment regarding the budget will be allowed at each meeting.

SECTION 1.5. Adoption. The Board shall formally adopt the budget in an open meeting held in accordance with the Board's bylaws before the fiscal year begins and before the expenditure of any funds.

SECTION 1.6. Minutes. The Secretary of the Board (or designee) will record the adoption of the budget and any amendments in the Board meeting minutes in which the adoption occurs.

SECTION 1.7. Post-Adoption. After the adoption of the budget the Board shall review actual fund disbursements compared to the adopted budget and make amendments as needed.

SECTION 1.8. Cost Allocation. All administrative costs that are shared by both Academies will be allocated on 50-50 basis, except in cases when one Academy's

share of total enrollment for both Academies is less than 45% at the beginning of the school year. At such time the Board will determine whether the cost allocation should be based on the enrollment proportions between the two Academies.

SECTION 2. Fiscal Compliance

The Chief Financial Officer, Head of Schools, and Board Treasurer shall ensure that Genesis complies with all state and federal laws and rules concerning the budget and related processes of the school.

BANK PROCEDURES POLICY

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Bank Accounts

SECTION 1.1. Selection. The Board Chairman, Board Treasurer, and Head of Schools have the authority to enter into an agreement with a bank or other Federally insured financial institution once the Board has adopted a formal resolution at a board meeting designating the bank for the school to use for its financial transactions. This agreement should be signed by at least two of the following persons: Board Chair, Board Treasurer, and/or Head of Schools.

SECTION 1.2. Opening. The Board Chairman, Board Treasurer, and Head of Schools have the authority to open/close specific accounts on behalf of Genesis at the selected banking institution, with approval of the Board of Directors, to ensure efficient accounting of Genesis funds.

SECTION 1.3. Access. The Board Chairman, Board Treasurer, Head of Schools, and CFO will have real-time access to account transaction detail through remote/electronic means (e.g. phone-based interaction with the account or account representation, or via on-line account access).

SECTION 1.4 Fund Allocation. All funds distributed to Genesis Innovation Academy, Inc. via GaDOE are placed in a disbursement account. The funds are then allocated to separate accounts for Genesis Innovation Academy for Boys and/or Genesis Innovation Academy for Girls depending on the expectations and intent of the funding agent.

SECTION 2. Checks

SECTION 2.1. Signers. The Head of Schools must approve all checks (ACH payments), unless written proxy is granted to one of the following: Director of Business

Operations (DBO), School Director, Board Treasurer or Board Chairman. Any authorized check (ACH payment) drafted on the school's designated bank account over \$10,000 dollars shall require two signers (approvers): The Head of Schools and either the Board Chair or the Board Treasurer.

Exception 1: The Board may vote to allow recurring expenses, whose amounts are stipulated in approved contracts, to be paid by checks authorized only by the Head of School. Any check written to the Head of Schools must be signed by either the Board Chair or Board Treasurer.

Exception 2: The Board may vote to allow the Head of Schools to be the only signer on checks over \$10,000 if the payment is for multiple, smaller vendor payments, that were previously approved in compliance with financial policy, but which are being consolidated into one monthly payment.

SECTION 2.2. Check Submittal. Any checks received in person or by mail will be submitted through our in-office Atlantic Capital check reader machine and deposited directly to the bank.

SECTION 2.3. Check Deposits. Checks received shall be endorsed "for deposit only"; deposits should be made by someone other than the person who prepared the deposit.

SECTION 2.4. Check Requests.

- a. Checks may be used to pay for 1) services or products rendered, or 2) reimbursement requests, but only for purchases/expenditures previously approved by the Head of Schools. Employees who initiate unapproved expenditures will be responsible for making Genesis whole.
- b. All check requests must be submitted to the Director of Business Operations (or designee).
- c. The Director of Business Operations (or designee) prepares check requests for payment only if there is an accompanying invoice, bill, receipt(s), or a missing receipt affidavit (MRA). The Director of Business Operations approves requests initiated by the Head of Schools.
- d. Check requests for products/services provided to both the Girls and the Boys Academy shall provide separate back-up for each school, which indicates the portion of the bill that is to be paid by each specific Academy.

SECTION 2.5 Checks to Cash. Checks payable to cash for any reason are prohibited, unless Board approval is sought and given in advance.

SECTION 3. Bank Reconciliations

SECTION 3.1 There will be segregation of duties between individuals responsible for cash receipts/disbursement and the individual(s) responsible for bank reconciliations.

SECTION 3.2. The Director of Business Operations (or designee) is responsible for bank reconciliations a minimum of once monthly. Bank statements should be delivered to the DBO unopened (or accessed electronically). Each bank statement, assets, and liabilities shall be reconciled to both the checkbook and the general ledger.

SECTION 4. Credit Card Procedures

SECTION 4.1. Authorization. Credit card use shall be limited:

- a. Credit cards may only be issued in the name of the Head of Schools, the Director of Business Operations, or an administrator designated by the Head of Schools.
- b. Credit cards are locked in a secure location until authorized for use.
- c. Only the following employees can authorize use of a credit card: Head of Schools or Director of Business Operations (the DBO is the designated credit card administrator).
- d. The authorization must be based on a quote or a reasonable estimate, where any approval of an estimate must include a monetary purchasing limit for the intended use.
- e. Any employee may be approved to use the Genesis credit card if that approval is granted by individuals listed in 4.1.a.
- f. Any employee approved to use a credit card, must, prior to use, sign the card authorization/log-sheet, which includes a user agreement statement
- g. Credit cards must be returned to the Director of Business Operations (or designee) by the next business day after a purchase, unless otherwise approved by the Head of Schools.
- h. The Head of Schools must authorize credit card charges above \$2,000 in advance; Director of Business Operations can authorize credit card charges at or below \$2,000.
- i. The Director of Business Operations must seek approval from the Head of Schools to use the credit card
- j. The Head of Schools must seek approval from the Board Chair or Treasurer of the Board to use the credit card
- k. Authorization must be documented with the signature of the approver/authorizer as per internal procedures. The Board may submit an electronic approval for the Head of Schools to use of the credit card.
- l. The card transaction and balance limit will be set at \$15,000.
- m. No single expense or the overall credit card balance can exceed the limit set in 4.1.h without Board approval.

- n. Credit cards shall not be used for personal expenditures (only for school business), even if the card holder intends to reimburse Genesis; credit cards shall not be used for cash advances.
- o. Any person who does not follow designated policies or established procedures will lose the privilege of using a credit card for a time to be determined by the Director of Business Operations and the Head of Schools, including permanent exemption from use. Additional consequences up to termination may be considered depending on the severity of the violation
- p. Genesis will not use debit cards

SECTION 4.2. Purchases. Credit Cards should only be used when a check is not accepted, or its use is impracticable. Credit Card purchases must be approved in advance. Each credit card user must submit the bill/invoice or the original receipts documenting each individual transaction. An MRA may be submitted if original receipts are unobtainable

SECTION 4.3. Oversight. The Board Chairman, Board Treasurer, Head of Schools, Director of Business Operations, and CFO (or designee) will have real-time access to credit card account transaction detail through remote/electronic means (e.g. phone-based interaction with the account or account representation, or via on-line account access). Credit Card transaction records will be reviewed by the Director of Business Operations and the Head of School prior to bill payment being authorized. The Head of Schools (or designee) must approve the credit card bill payment in writing.

SECTION 4.4. Required Sign-Out. If a credit card is to be taken off-site for a purchase, the purchaser must sign for the card based on the documentation procedure determined by the Head of School and DBO. The card must be returned no later than the close of the next business day, unless being used during extended travel. In such cases, card must be returned the day the traveler is scheduled to return to the office.

SECTION 5. Transfer of Information

If the individual serving as the Head of Schools, School Director, Director of Business Operations, CFO, Board Chair, or Board Treasurer, leaves or is removed from his/her duties, he or she shall immediately give the school management all necessary passwords and other related information pertaining to access to financial records or documents. The school will change the passwords and other security information once the individual's association with Genesis ends.

CASH MANAGEMENT POLICY

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Accounting for Cash Transactions

SECTION 1.1. Documentation. Transactions in which Genesis receives cash shall be recorded in writing (e.g. by handwritten receipt) or on the cash receipt form (e.g. food service accounting system) detailing the payor/donor and the amount. The written record shall be signed and dated by an individual authorized to receive cash on behalf of Genesis.

SECTION 1.2. Cash Accounting. The Director of Business Operations shall be responsible for accounting for all cash receipts (verification, documentation, storage, deposits). The accounting process will require two staff members to verify cash receipts with a dated signature on appropriate documentation.

SECTION 1.3. Depositing Cash. There will be segregation of duties between parties responsible for receiving and verifying cash and parties responsible for depositing cash into the Genesis bank account(s). The Head of Schools or DBO will be responsible for reconciling that the cash verification records match the deposit records. Deposits shall be made bi-weekly at a minimum. All undeposited cash shall be kept in a secured location on school premises with limited access. A validated record of deposit must be provided for record keeping no later than the day after the deposit is made.

SECTION 1.4. Cash Expenditures. Cash expenditures using school funds are discouraged and should not be made without approval of the Head of Schools or his/her designee. All expenditures of school funds made with cash require a valid receipt from the payee, including the amount, date, and purpose of transaction.

SECTION 1.5 Segregation of Duties. The Head of Schools, Director of Business Operations and the CFO shall ensure that appropriate segregation of duties exists regarding the handling of all money transactions including reconciliation.

SECTION 1.6 Petty Cash. Petty cash shall be maintained in a locked box in a secured location in an amount not to exceed \$250 per academy. Requests to use petty cash must follow the same procedure as a check request. The Director of Business Operations, or his/her designee, may sign off on all petty cash requests, but the Director of Business Operations cannot initiate a Petty Cash use request. Receipts from purchases made with petty cash shall be remitted to the Director of Business Operations no later than the next business day after a transaction. Petty cash funds shall not be used to cash checks.

SECTION 1.7 Evaluation. Management will annually review and evaluate cash collection procedures utilized by the School and make modifications to procedures as considered necessary to maintain integrity of public funds, safeguard those funds, ensure they are timely deposited, documented, and properly reported in the accounting records. Management will document this review and evaluation and provide this documentation to the governing board.

SCHOOL ACCOUNTING SYSTEM POLICY

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Fiscal Year

Genesis adopts a fiscal year that begins on July 1 and ends June 30 of the following year.

SECTION 2. Financial Accounting

Genesis fully complies with generally accepted accounting principles (GASB) and any other applicable state and federal standards for financial management systems.

SECTION 2.1 Accounting records. The school shall maintain records that adequately identify the source and application of funds. These records must contain information pertaining to grant or sub-grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

SECTION 2.2 Internal controls. The school shall maintain effective control and accountability of all state and local funds, federal grant and sub-grant cash, real and personal property, and other assets obtained with local, state or federal funds. The school shall adequately safeguard all such property and assure that it is used solely for authorized purposes.

SECTION 2.3 Source documentation. Accounting records must be supported by source documentation, such as: cancelled checks, paid bills, payrolls, time and attendance records, contract and sub-grant award documents, etc.

SECTION 2.4 Budget control. The school shall compare actual expenditures or outlays of state or federal funds with budget amounts for each fund, grant or sub-grant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or sub-grant agreement. Applicable federal cost principles, agency program regulations, and the terms of grant and sub-grant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.

POLICY REGARDING AUDIT AND FINANCIAL STATEMENTS

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Annual Audit.

SECTION 1.1. Annual Audit. Annually, Genesis shall engage a certified public accountant (CPA) to audit financial and programmatic operations. The Board shall select and contract only with Georgia licensed CPAs. The Head of Schools, Director of Business Operations, and CFO shall ensure that the school provides timely assistance to the auditors in order to provide them with the necessary information for the audit.

SECTION 1.2. Board Action

Once the Board of Genesis receives the final report, it must vote to accept the contents of the audit at either of its next two regularly called meetings, or at a special meeting called in accordance with the Board's bylaws.

SECTION 1.3. Submission to Authorizers. The CFO shall ensure that a copy of the annual audit report is timely filed with the requisite state agencies. The audit report should include a certificate signed by the Chair of the Board that the Board voted to accept the contents of the audit. If the Board did not accept the contents of the audit report, that should be noted with the submission.

SECTION 2. Annual Financial Statement

The CFO shall prepare, or cause to be prepared, an annual financial statement for each fund subject to the authority of the Board during the fiscal year showing:

- a. the total receipts of the fund, itemized by source of revenue, including taxes, assessments, service charges, grants of state money, gifts, or other general sources from which funds are derived;
- b. the total disbursements of the fund, itemized by the nature of the expenditure;
- and c. the balance in the fund at the close of the fiscal year.

SECTION 2.1 The CFO shall ensure that the annual financial statement is submitted to all authorizers in a timely manner pursuant to deadlines.

PAYROLL POLICY

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Accurate & Timely Payroll. The Director of Business Operations shall ensure that school employees are paid accurately and timely in accordance with applicable laws and rules.

SECTION 2. School employees shall be paid:

- a. In United States currency;
- b. By a written instrument (e.g. check) issued by the employer that is negotiable on demand at full face value for United State currency; or
- c. By the electronic transfer of funds to the employee's bank pursuant to a direct deposit agreement signed by the employee.

SECTION 3. Withholding of Wages. The Director of Business Operations shall ensure that the wages of school employees are not withheld except in the following situations as permitted by applicable laws and rules.

The school is ordered to do so by a court of competent jurisdiction;

The school is authorized to do so by state or federal law; or

The school has written authorization from the employee to deduct part of the wages for a lawful purpose.

SECTION 4. Teachers Retirement System. Unless otherwise allowable by law, all teachers shall be members of the Georgia Teachers Retirement System and subject to its requirements. The Director of Business Operations will ensure that the school complies with all requirements of the Georgia Teachers Retirement System, including making any required contributions.

PURCHASING POLICY

SECTION 1. Authority to Purchase - Authority to obligate Board funds to an agency outside of the School will be vested in the Board and administered by the Head of Schools and the Director of Business Operations or his/her designee(s) with the authority to purchase or contract to purchase materials, supplies, equipment and services; to lease equipment and facilities necessary for educational programs; and to contract for renovations and construction. All such purchases and/or contracts shall be awarded contingent upon a budget appropriation.

SECTION 2. Purchasing Policies and Procedures: The Director of Business Operations is responsible for overseeing the implementation of the policies and procedures, with ultimate approval resting with the Head of Schools and/or the Board of Directors designee.

Section 2.1. General Purchasing Policy

- All purchases shall be approved in advance by the Head of Schools, School Directors, or Director of Business Operations. The Head of Schools (or an explicitly stated designee) is the only agent that can approve purchases above \$2,000.
- Quotes or cost estimates based on actual purchasing data must be submitted for approval prior to purchases being made. Documentation of such approval must be documented in the financial records of Genesis.
- Emergency Purchases
 - Emergency situations are those in which operations of the school would be seriously hampered by a delayed purchase.
 - If an emergency purchase is deemed necessary during working hours, the potential purchaser must notify the Director of Business Operations or the Head of School to receive a written/textual authorization.
 - A verbal authorization is acceptable only if made in the presence of another staff member and should be memorialized as soon as possible.
 - If the emergency occurs outside of working hours and/or no approver is available, the purchaser should use his/her best judgment regarding the emergency purchase and attempt to obtain subsequent formal approval no later than the next business day. The purchase is not guaranteed to be approved.

Section 2.2 Source Selection Thresholds – The following thresholds will apply for all purchases (except those made with grant funding – See Section 5 under Federal Fiscal Compliance Policy).

- The Head of Schools can approve purchases up to \$10,000.00 based upon the collective professional judgment of Finance/Operations team members as to source of supply and the number of quotations to solicit.
- Purchases and contracts for goods and services which exceed \$10,000.00 up to \$50,000.00 shall require quotations from at least two prospective bidders with the approval of the Head of School and the Board of Directors.
- Purchases and contracts for goods and services which exceed \$50,000.00 up to \$100,000.00 shall require quotations from at least three prospective bidders with the approval of the Head of School and the Board of Directors
- All purchases and contracts for goods and services which exceed \$100,000.00 shall be awarded through a competitive, publicly announced bidding process.
- Purchases from a known source or sole distributor will be made within approval limits provided a reasonable and diligent search has been made for other possible suppliers or other appropriate information has been obtained to document the matter.

Section 2.3. Purchasing Approval Limits - Purchases will be subject to the following approval limits:

- Purchases up to \$2,000 can be approved by the DBO
- Purchases from budgeted funds that exceed \$2,000 up to \$10,000.00 for any item or group of similar items will be approved by the Head of Schools.
- Purchases from budgeted funds above \$10,000.00 will have the approval of the Board prior to purchase. Purchase outside of the competitive procurement process above \$10,000.00 will be reported to the Board for approval (or the designated Board member).
- Contracts that are renewed, or added to, when the total of the individual contract exceeds the cited threshold amount will be approved as per the above stipulations based on the total contract amount.

Section 2.4. Purchases Outside of the Competitive Procurement Process - The following items, regardless of amount, may be purchased outside of the competitive procurement process:

- Textbooks, digital media, library books, reference materials, print and digital content subscriptions, programs or other instructional media from the publisher, distributor, or agent.

- Test and test scoring services of a standardized examination from the publisher or licensed agent.
- Purchases made from other governmental sources including items under state bids and/or state approved discounts, or items/services purchased from vendors on the approved vendor list maintained annually by the Georgia Department of Education (GaDOE).
- Membership in various educational or related organizations, agencies or services providing direct benefits to the System.
- Emergency Purchases - The Head of Schools may make emergency purchases greater than \$10,000.00 if critical to continued, efficient operations of Genesis Innovation Academy, Inc. Board members (or a designated Board member) must be informed of this action. The action will be affirmed at a subsequent Board meeting.
- Agreements for maintenance service from the original vendor or authorized agent of the installed equipment or products if the same cannot be competitively bid.
- Continuance of an existing purchase agreement, bid, request for proposal, time and material contract, rent, lease or purchase order which had previously been duly authorized by the Board or its agent. This continuance may take place for up to five years after the date of the original agreement, unless otherwise specified in that agreement.
- Additional purchase of like equipment, material, supplies, services, rentals or leases previously approved may be made provided the additional order is at the same or lower price. Contractual provisions can be made to provide an inflation/deflation mechanism for price adjustments based on the Consumer Price Index or Product Price Index for commodities or services.
- Perishable items for use in the school nutrition program may be purchased utilizing formal solicitations initiated and processed under the direction of the director of the school nutrition program.
- Purchases that are made directly from Metro-Atlanta RESA.
- Purchases made from purchasing cooperatives endorsed by the National Institute of Government Procurement (NIGP) and/or approved by the Board of Directors.
- Purchases made from sole sources.

- When there has been a documented attempt to obtain at least three quotes but there are fewer responses to a solicitation.
- Purchases of software approved by the Superintendent following a documented evaluation process.

Section 2.5. Bid Process

- **Formal Bidding:** Bids will be awarded to the lowest responsible, responsive bidder or through a competitive request for proposal process where the best value may be selected, except in those instances specifically approved and documented by the Head of Schools or the Director of Business Operations (or his/her designee) when: essential goods or services are needed in an emergency or only one source exists for a needed good or services. All Requests for Proposals (RFPs) will be advertised. Responding bids will be opened at a time and public place specified in the RFP. The formal bid threshold is any contract above \$100,000.
- **Informal Bidding:** Informal bidding should be used for those purchases with estimated costs less than the formal bid threshold of \$100,000. With informal bidding, many of the same procedures discussed above are used. Informal bidding may use the same procedures as formal bids; however, the bids are not advertised nor is there a public bid opening.
- All bid information shall be kept confidential and may not be shared with other potential vendors. The exception to this policy will be covered under the Open Records Request Act when information may be shared with the appropriate request.
- Vendors who participate in the sealed bid or sealed proposal process shall have an opportunity to protest selections. Vendors shall then have three working days from the time the action to be protested is known, or should be known, to file a written protest with the DBO.

Section 2.6. Reimbursement of Purchases

The School will reimburse employees for travel in accordance with the State Accounting Office travel policy to follow the per diem rates established annually by the U.S. General Services Administration (GSA) which are annually updated by the State Accounting Office without a fixed limit. To safeguard School resources, employees must obtain approval from management in advance for all travel for which the employee seeks reimbursement.

FEDERAL FISCAL COMPLIANCE POLICY

The governing body (“Board”) of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Fiscal Requirements under Title I, Title II and Title IV of NCLB

SECTION 1.1. Supplement not Supplant. The Head of Schools and CFO shall ensure that federal funds will be used to supplement, not supplant regular non-federal funds.

SECTION 1.2. Documentation. Documentation shall be maintained, or caused to be maintained, by the Head of School and CFO. The documentation must clearly demonstrate the supplementary nature of federal funds.

SECTION 2. Federal Grant Allowable Expenditures. Prior to expending funds, the Head of Schools and/or CFO shall consult the appropriate OMB Circular or other federal guidance to determine what costs are allowable. The Head of Schools and CFO shall ensure that all grant funds are expended in accordance with the Circular or other applicable federal law or rule.

SECTION 3. Employee Time Sheet. If an employee’s compensation is funded by any grant, the Director of Business Operations shall ensure that the employee maintains a time sheet on which he or she records the time spent during the work day along with a description of the service he or she performed during that time. The time sheets must contain the signatures of the employee and a school official.

SECTION 4. Charter Schools Program (CSP), NCLB Title V, Part B

SECTION 4.1. Compliance. If Genesis receives CSP grants, the Head of Schools and CFO shall ensure that Genesis uses the federal funds in accordance with all statutes, regulations, and approved applications.

SECTION 4.2. Fiscal Control. The Head of Schools shall directly administer or supervise the administration of any projects funding through CSP funds and shall use fiscal control and fund accounting procedures that ensure proper disbursement of, and accounting for, federal funds.

SECTION 4.3. Procurement. When using CSP funds to enter into a contract for equipment or services the Head of Schools shall comply with the applicable federal procurement standards.

SECTION 5. Use of Federal Grant Funds for Procurement

SECTION 5.1. Open and Free Competition. The Head of Schools shall ensure that all procurement transactions are conducted in a manner that provides open and free competition. Awards must be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to Genesis considering price, quality, and other relevant factors deemed appropriate by Genesis.

SECTION 5.2. Conflicts of Interest. Pursuant to the Conflict of Interest Board Policy, no employee, officer, or agent of the school, who has a real or apparent conflict of interest, will participate in the selection, award, or administration of a contract supported by federal funds. Employees, officers, and agents may also not solicit or accept favors, gratuities, or anything of monetary value from contractors or their agents.

Any employee, officer, or agent who violates this section and/or fails to disclose a real, apparent, or potential real or apparent conflict of interest shall be subject to disciplinary action, up to and including, but not limited to, suspension, termination, or removal.

SECTION 5.3. Procurement Process

- a. The solicitation of bids or offers must provide a clear and accurate description of the requirements to be fulfilled by the bidder; technical requirements to be performed including the minimum acceptable standards and specific features of brand name or equal descriptions that bidders are required to meet;
- b. Positive efforts shall be made to utilize small businesses, minority-owned firms, and women's business enterprises whenever possible;
- c. The type of procurement instruments used (e.g. purchase orders) must be appropriate for the particular procurement;
- d. Contracts are made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement; the Head of Schools is the only agent authorized to sign contracts on behalf of the Board. Contracts above \$10,000 require Board approval.
- e. Procurement documents shall be made available, upon request, to appropriate government officials.

SECTION 5.4. Record Documentation. The Head of Schools and Director of Business Operations shall ensure there is appropriate documentation for the basis of contractor selection. The Director of Business Operations shall also ensure the evaluation of the contractor performance and document whether the contractor has met the terms, conditions, and specifications of the contract.

POLICY REGARDING CAPITAL ASSETS ACCOUNTING

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

Section 1.1. Definition of Capital Asset. A capital asset is an asset that is tangible in nature; has a life that exceeds one year; of significant value (\$5,000 per unit or a lower amount designated by the board of directors); and reasonably identified and controlled through a physical inventory system. Examples include: land, buildings, machinery, and furniture.

SECTION 1.2. Documentation. The CFO shall ensure that Genesis maintains accurate records of capital assets in accordance with applicable rules.

SECTION 1.3. Inventory. The Director of Business Operations will ensure that a physical inventory of capital assets takes place once every year.

SECTION 1.4. Annual Audit. The annual financial audit required by O.C.G.A. 20-2-2065 (b)(7), shall include an exhibit in the audit report identifying all capital assets and the ownership interest of local, state, and federal parties.

POLICY STATEMENT REGARDING INVESTMENT OF STATE FUNDS

The Board of Genesis adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Investment Policy. The Board Treasurer and CFO shall ensure that any investment of state funds is done in accordance with applicable state law and rules, including the Financial Manual for Local Units of Administration. The investment of state funds shall be made with judgment and care and not for speculation, but for investment, considering the probable safety of capital and the probable derived income.

SECTION 1.1. Investment of state funds shall be governed by the following objectives, in order of priority (1) preservation and safety of principal; (2) Liquidity; and (3) Yield.

SECTION 2. Investment Management Firm and/or Officer

The Board may determine that it is necessary to contract with an investment management firm that is registered under the appropriate governmental entities to provide for the investment and management of the funds. Such a contract shall not exceed two years.

SECTION 3. Discrete Maintenance of Records.

The Board Treasurer and CFO shall ensure that all investments will be maintained in a discrete, charter investment account, separate from any other of accounts. s a cost or price analysis made and documented with every procurement action as