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Agora Cyber Charter School

Board of Trustees Policy

INTERNAL CONTROLS POLICY

Internal controls are designed to safeguard assets and help to detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. Although the size of the Agora Cyber Charter School ("Charter School") accounting staff may prohibit complete adherence to this concept, implementing the following practices will improve existing internal control without impairing efficiency.

Internal controls are hereby adopted in the following areas:

- CASH RECEIPTS
- PETTY CASH
- CHECK ISSUANCE AND CASH DISBURSEMENTS
- ACCOUNTING SYSTEM
- INSURANCE COVERAGE
- EXPENSE REPORTS
- FINANCES
- BUDGET
- RESPONSIBILITY FOR PURCHASING
- PURCHASES OF GOODS & SERVICES
- STAFFING AND HIRING
- PAYROLL
- CREDIT, DEBIT AND/OR CHARGE CARDS
- SCHOOL PROPERTY RECORDS
- ADDITIONAL MISCELLANEOUS ITEMS

CASH RECEIPTS

An employee who is not responsible for accounting functions, such as the secretary or administrative assistant, shall open all incoming mail. In addition, this individual shall be responsible for:

1. Recording the cash receipts.
2. Preparing the daily bank deposit.
3. Forwarding the cash receipts listing (along with remittance advice) to the Charter School's accounting staff ("Business Manager").

Once the Charter School's Business Manager has received the cash receipts listing, he/she will be responsible for posting incoming cash receipts to the general ledger and detail customer accounts. The Charter School's Business Manager shall also be responsible for posting cash receipts for monies received for student lunches and all student activities such as summer school, etc.

In addition, the Business Manager shall be responsible for depositing cash receipts intact on a weekly basis.

PETTY CASH

One petty cash fund shall be used instead of multiple miscellaneous cash accounts. Disbursements from the petty cash fund shall be controlled in the same manner as disbursements from the checking account.

To provide for proper control and recording of petty cash, an "imprest system" shall be established. An imprest system is an account set up to make change or pay small obligations for which the issuance of a formal voucher and check would be too expensive and/or time consuming. Imprest accounts derive their name from the fact that the account balance is maintained at a fixed level by regular reimbursement for the exact amount of the disbursements.

Under such a system, the amount of cash in the petty cash fund shall be adequate to handle all petty cash transactions for a short period of time, but the balance shall not exceed \$500.00.

Formal petty cash vouchers are to be used for all working fund disbursements. Such vouchers shall be properly approved and supported and shall be signed and dated by the payee. The maximum amount for individual fund disbursements shall be \$100.00.

The petty cash fund shall be reimbursed periodically with a check made payable to the petty cash custodian (the CEO or designee). Proper expense accounts shall be charged as reimbursements are made. In addition, the CEO along with the Board of Trustees ("Board") shall set restrictions concerning the type and amount of transactions that can be handled through the petty cash fund. All disbursements are to be approved by an authorized person (one or more Board members and/or the CEO), and supported by petty cash vouchers indicating the proper account distribution. To prevent possible reuse, petty cash vouchers and supportive documents shall be cancelled by stamping "PAID."

CHECK ISSUANCE AND CASH DISBURSEMENTS

When paying bills, the Charter School's Business Manager shall:

- Indicate on the invoice that the checking of prices and cash discounts are correct by initialing such.
- Cancel invoices by attaching a copy of the check stub to the invoice.
- Have the persons signing the check (Board members, CEO) initial the invoice to indicate review of the invoice. Two signatures are required for all checks above the amount approved by the Board for CEO signature alone. These two signatures shall consist of the CEO or designee, if applicable, and an authorized Board Trustee.
- Signed checks shall be handed over to the secretary and/or administrative assistant to be mailed out. Such checks are to be mailed without allowing them to be returned to the employee(s) responsible for accounts payable.

The CEO may not authorize purchases or sign checks for items greater than \$500.00 that are not included in the school's annual, board approved budget.

The CEO may authorize purchases and sign checks for items that are captured in the school's annual, board approved budget up to \$5,000.00. Items above \$5,000.00 require two signatures and prior board approval, with the following exceptions:

- Health and Liability insurance payments
- Food Services purchases

The CEO may engage in contracts for services or goods that are captured in the School's annual Board approved budget up to \$10,000.00 with a term of one year or less. Contracts above \$10,000.00, or with a term of more than one year, require prior Board approval.

ACCOUNTING SYSTEMS

No transaction shall be posted to a prior year or prior month by Charter School's Business Manager nor shall any transaction be changed or deleted by the Business Manager. If deemed necessary, the Charter School's accounting firm with prior Board approval shall make such adjustments. Controls within accounting systems shall be modified to prevent such changes.

FIDELITY INSURANCE COVERAGE

Any employee who handles cash (either its receipt or disbursement) or who holds a position of financial trust must have fidelity bond insurance coverage. The adequacy of such coverage shall be subject to Board review with the Charter School's insurance agent on an annual basis at a minimum.

EXPENSE REPORTS

All seminars and/or professional development courses are subject to prior approval by the CEO and/or Board of Trustees. The Charter School shall reimburse the employee for fees incurred as related to:

- conference fees

- hotel lodging
- travel to and from the conference
- meals (subject to a maximum reimbursement of \$35.00 per day)

Upon returning from such seminars/training, if an employee wishes to be reimbursed for the types of expenses mentioned above, he/she must submit a Charter School Expense Report (with attached receipts) to the CEO. The expense report shall include any and all amounts paid by the Charter School along with any out-of-pocket employee expenses that are to be reimbursed by the Charter School. If the amount of the cash advanced exceeds the total allowable expenses, the employee shall owe the Charter School the difference. If the total allowable expenses exceed the amount advanced, the employee shall be owed the difference.

FINANCES

Public monies expended by the Charter School shall be utilized for the furtherance of pupil education in a manner that will ensure full value to the taxpayers and that adequate constraints and records are established to ensure that end. Public monies should only be expended if considered necessary and reasonable. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. All expenditures shall be adequately documented.

The CEO has the authority and responsibility, in conjunction with the Board, to prepare the budget. The Board has the authority and responsibility to approve the budget, the bids, and pass a resolution authorizing the expenditures of the Charter School.

The Board requires the CEO to establish sound accounting procedures based upon State and Federal recommended accounting procedures and upon the recommendation of the local, state, and federal auditors and to institute effective business practices and recommend suitable accounting equipment, where necessary.

In accordance with State law, the Board will authorize an annual audit by an independent auditor.

BUDGET

The budget shall be designed to reflect the Charter School's objectives for the education of the students. Therefore, it must be organized and planned to ensure adequate understanding of the financial needs associated with program implementation, support and development. This necessitates a continuous review of the financial requirements of the Charter School's programs.

The Board considers the preparation of an annual budget to be one of its most important responsibilities because the budget is the financial reflection of the education plan for the Charter School. The budget shall be designed to carry out that plan in a thorough and efficient manner and to maintain the facilities and honor the obligations of the Charter School.

The Board recognizes its obligation to the taxpayers to approve only those expenses reasonably required to provide an educational program suitable to the needs and goals of the Charter School and its students.

The annual budget proposal, once formulated, represents the position of the Board and will be available in draft form prior to its adoption. Adoption of the budget, after due deliberation and public comment, will take place at the Charter School's June Public Board Meeting.

Each member of the Board and each administrator shall be thoroughly familiar with and understand the need for each of the proposed expenditures so that they can answer any questions directed to them.

RESPONSIBILITY FOR PURCHASING

_____ position has the authority to initiate purchases. In addition, teachers are given specific budgets. If appropriate, teachers may utilize their budget to purchase necessary and reasonable items. However, these purchases must be approved by the Business Manager.

Purchase cards ("PCards") may be used by _____; however, an individual who wishes to use a PCard must first request money to be put on the PCard by _____ and the amount placed on the PCard must be approved by the Business Manager.

PURCHASES OF GOODS & SERVICES

When funds are available, all purchases contemplated within the current budget and not subject to bid are to be made in a manner that ensures the best interest of the Charter School.

The Board shall advertise and obtain competitive bids for products and services where such bids are required by law or where such bids may be believed to bring about a cost saving to the Charter School.

The Charter School shall solicit bids from and shall award contracts to or consent to subcontracting only with "responsible bidders" as that term is defined by law. Bidders, contractors, or affiliates may be disqualified, suspended or debarred if they are deemed "not responsible" in order to protect the Charter School and the public's interest in accordance with the standards and procedures adopted by the Charter School and any other applicable law. The CEO shall maintain records of all persons disqualified. The Charter School is required by law to award contracts to the lowest responsible bidder.

All construction, reconstruction, repairs, maintenance or work of any nature upon a Charter School building or property in excess of \$21,000.00 (this amount is subject to change annually) shall be conducted through proper public announcement, receipt of valid formal bids, and award as provided by Board Policy and Procedures, including obtaining Board approval in advance. Projects exceeding \$21,000.00 (this amount is subject to change annually) may not be partitioned to avoid these requirements.

Written or telephonic price quotations from at least three (3) qualified and responsible contractors shall be requested by the Board for all contracts that exceed \$11,300.00 (this amount is subject to change annually) or, in lieu of price quotations, a memorandum shall be kept on file showing that fewer than three (3) qualified contractors exist in the market area within which it is practicable to obtain quotations. A written record shall be made of these quotations and shall contain the date of the quotation; name of contractor; contractor's representative; and the construction, reconstruction, repair, maintenance or work of the quotation. The written price quotations, records or telephonic price quotations and memoranda shall be kept on file for a period of three (3) years.

Bid specifications shall be approved by the Board before being published.

The bid specifications shall combine like items of supply and material whenever it is feasible, and permissible under statute, and not split purchases to avoid requirements for bidding.

The Board recognizes that emergencies may occur when imminent danger exists to persons or property or the continuance of existing Charter School classes are threatened, and time for bidding cannot be provided because of the need for immediate action in accordance with the Pennsylvania School Code. Such emergency must be declared by the Board and stated by resolution at an emergency meeting that does not require public notice pursuant to the Sunshine Act.

Whenever a contractor shall submit a bid for the performance of work and the contractor later claims a mistake, error or omission in preparing said bid, the contractor shall, before the bids are open, make known the fact and in such case the bid shall be returned unopened and the contractor may submit a revised bid proposal at the discretion of the Charter School or the contractor may lose the right to bid if circumstances as determined by the Board require.

Bids shall be opened by the Board Secretary and/or an appointed Board Member at the next regularly scheduled Board Meeting after the closing date of the bids. The Board shall accept the bid of the lowest responsible bidder, kind, quality, and material being equal, but shall have the right to reject any and all bids, or select a single item from any bid.

There are exceptions to contracts or purchases that do not require advertising, bidding or price quotations and are set forth at 16 Pa.C.S.A. sec. 1802(h) and include but are not limited to professional service contracts involving professional expertise, including but not limited to medical, legal, architects, engineers, CPAs, and specifically those involving construction management services.

STAFFING AND HIRING

The Board of Trustees has the sole authority and responsibility to create new/additional staff positions. Approved job descriptions will clearly state any restriction as to candidate eligibility for those positions for which the description requires extensive work with financial, personnel and other such highly confidential Charter School information. Relatives of current Board members, current staff and parents of current students would not be permitted to apply for such positions. This restriction serves to prevent potential conflicts of interest pursuant to the Board's approved Conflict of Interest Policy and Employee Conflict of Interest Policy, both of which apply to employees of the School. The CEO, in collaboration with the Board of Trustees, has the authority to establish salaries and approve candidates for hire.

The hiring procedures outlined below must be followed in order to appoint candidates to any position at the Charter School. The primary goal in the employment process is to fill vacancies with the most qualified candidates available. In this pursuit, the Charter School will adhere to the principles of Equal Employment Opportunity. The Charter School is an equal opportunity employer dedicated to the goal of building a culturally diverse and pluralistic faculty and staff committed to teaching and working in a multicultural environment and strongly encourages applications from women, minorities, individuals with disabilities and covered veterans."

To assure careful selection and orientation of new staff into the community, the Board promotes an open and collaborative process to facilitate the hiring of all Charter School personnel. Instructional staff is required to hold PA State certification or be in the process of obtaining

certification within one (1) year of hire. It is required that middle school teachers and support staff have secondary certification or equivalent experience working with this population.

All non-instructional and administrative staff are expected to participate in and obtain certification or ongoing professional development related to their area of responsibility.

1) The first step in the hiring process is notice to the Board of Trustees of a position opening.

2) Recommendations to create a new position must be submitted to the Board of Trustees and approved prior to the start of the search for an employee to fill the position.

This recommendation will include:

- Rationale, needs assessment
- Required qualifications and selection criteria
- Job description
- Proposed salary range/rates, determined by the required position qualifications and established salary scales/range
- Job posting

3) A file of current job posting ads will be maintained and will include narrative versions for Internet/website use, and abbreviated versions for print advertising.

Job postings will include:

- position title
- salary or salary range
- brief description of the duties
- minimum qualifications
- name and address to which to send applications
- last day for filing applications
- Equal Employment Opportunity Statement
- Restrictions, if any, regarding eligibility of relatives of current Board members, current staff or parents of current students to apply

And require applicants to provide:

- letter of interest
- copies of Certifications, as applicable
- resume
- three references
- transcripts, as applicable
- standard application (PDE)
- Act 34 and 151 clearances and FBI clearances where applicable

4) A job posting (ad) for open positions will be published:

- a) Internally
 - Notice by email of an open position to all current staff
 - Posting on the Charter School website
- b) Externally

- Internet - K-12 Jobs, PASBO and PSBA when applicable (leadership positions)
- Print Publications – 2 local newspapers, PSBA when applicable (leadership positions)

5) A file folder for each open position will be created and contain:

- Job description
- Job posting
- Resumes, cover letters, applications, clearances and certifications of qualified candidates

6) A file of submitted resumes for various positions will be maintained and rotated out on an annual basis.

7) Current staff and recommendations of candidates by current staff will be given consideration.

Screening/Interview/Selection:

1) Resumes/applications will be initially screened, reviewed by, interviewed and selected by the appropriate interview team members based on the following criteria:

- a) Selection of the CEO shall be made by the entire Board with input from administration, staff, and parents based on criteria developed through a collaborative process.
- b) Selection of Leadership level positions shall be made by a using a collaborative process that includes the CEO, Board members and representatives of the staff group with whom they will be working.
- c) Selection of teaching, custodial or office staff shall be made using a collaborative process involving the CEO, applicable leadership, and representatives of the staff group with whom they will be working.

2) Devise standard selection questions that are not biased against: gender, race, religion, sexual orientation, disability, familial status, color, citizenship status, national origin, creed, veteran status or any other factor protected by law and use the same questions and selection criteria for all candidates.

3) Screen resumes for minimum entrance requirements; resumes may be accepted as supplements to the “application,” but not as a substitute for the “application.”

4) Select candidates for interview, and send a letter to candidates not selected for interview.

- 5) Notify successful candidates of selection for interview, schedule interviews, and then interview those candidates.
- 6) Select candidates for final (or second) interviews.
- 7) Perform and document reference checks; develop a consistent process and set of questions for checking references.
- 8) Conduct final interviews.
- 9) Solicit written remarks from those that met with or interviewed candidates. A rating form can be developed for this purpose.
- 10) Select final candidate.
- 11) Ensure that telephone calls (and/or emails) are made to all finalists not selected as soon as the candidate selected has accepted the position offer.

Follow-up will be made with a formal letter.

Approval:

- 1) When a conditional offer has been made, selected candidate(s) and their credentials will be presented to the Board for review and final approval.
- 2) For all positions, prior approval from the Board must be obtained before a conditional offer of employment is extended where any exceptions are to be made to normal hiring practices (as related to salary, flexible hours, vacation, etc.).
- 3) Upon verbal acceptance of the conditional offer of employment, a written offer of employment will be sent to the candidate.

This offer letter will include:

- Job title
- Monthly or hourly salary
- Hours
- Benefit eligibility
- Status (salaried or hourly)
- Statement of conditional offer pending final board approval
- Vacation and holiday information
- Employment at will
- Start date
- Employee Handbook

Hiring:

- 1) The following information will be collected for a Personnel folder for each individual. Include a paperwork checklist to the inside front of the folder.

This confidential file will include:

- Resume
- Application
- Offer letter
- Attendance records
- Job description
- Employee Handbook confirmation
- Payroll deduction forms
- Human Resources documents
- Emergency contact information
- Birth Certificate
- ACT 34 and 151 Clearances
- Professional Certifications
- Parking information

2) On the first day of employment or, at the latest, during the first week of employment, the employee must meet with the Business Manager. The employee will also receive a copy of the job description during this time.

The employee will be required to submit the following documentation:

- Employee Handbook confirmation
- Emergency contact information
- W-4 or W-4A tax withholding form
- I-9 employment eligibility form
- Self-identification form – protected status
- PSERS (retirement) forms
- Birth certificate
- Basic and optional life insurance enrollment form or waiver
- Health insurance enrollment form or waiver
- Parking information – make model car, license plate number
- Workers' compensation notification
- Credit union enrollment (optional)
- 403 B annuity/deferred compensation enrollment form (optional)
- Section 125 ("Cafeteria Plan") benefit waiver if applicable (optional)
- Payroll automatic deposit forms (optional)

Probation/Orientation/Mentoring:

1) During the ninety (90) day probationary period all permanent/temporary staff members will be introduced to Charter School norms/culture. Orientation, staff development, mentoring, and continuous support will be designed and provided appropriate to individual needs.

2) Criteria for applicable and appropriate orientation, staff development, mentoring, and continuous support for each position will be developed through the use of a collaborative process.

3) At the end of the ninety (90) day probationary period all permanent/temporary staff will receive a written performance evaluation.

Terminations/Separations:

- 1) No employee may be terminated without prior approval of the Board.
- 2) Prior consultation with the Board Solicitor or his/her designee shall be required in instances of involuntary termination.
- 3) Upon the separation of an individual, whether voluntary or involuntary, notice will be given immediately to the Network Tech Specialist, Business Manager, and Facilities Manager in order to initiate separation and security procedures.
- 4) Any Charter School property issued including, but not limited to, items such as computer equipment, credit cards, keys, petty cash, and instructional materials must be returned to the Charter School at the time of termination or the last day of work. The departing employee will be responsible for any lost or damaged items. The value of any property issued and not returned will be deducted from the last paycheck. The departing employee may be required to sign a wage deduction authorization form for this purpose.
- 5) The Charter School does not respond to oral requests for or provide "to whom it may concern" reference letters, as these letters can be easily misused. In the event of termination, either voluntarily or involuntarily, the CEO may be able to provide a reference to specific potential employers only if a signed release form has been received.

Exit Interviews:

- 1) Whenever possible, in cases of voluntary terminations, the Charter School shall interview the departing employee on or just prior to his/her last day of work. This interview will serve to ascertain the employee's forwarding address, to sign off on retirement and/or insurance conversions, and to obtain further details on the employee's reasons for leaving. The written results of the interview shall be placed in the employee's personnel file.

PAYROLL

Employment of all permanent, temporary, and part-time Charter School personnel must be approved by the Board. Authorization to pay follows therefrom.

Actions by the Board to employ or re-employ on a contractual basis (i.e., for a fixed period of time) shall include the name of the individual, the position title, the period of employment and whether such employment is “at will.”

Actions by the Board to employ temporary or part-time personnel (i.e., by the hour or day) shall include the name of the individual, the position title and the rate of pay.

Daily sign-in and sign-out procedures adequate to meet wage and hour requirements and Board policy are required of all employees. Salary or wages may be withheld for unapproved time off in accordance with Board policy by the CEO to the extent permitted by applicable law.

The Board of Trustees shall provide for the preparation, maintenance and revision of a position classification plan and of a pay plan for all Charter School employees.

The salary guide of the Charter School shall provide for the determination of beginning salaries for all employees by classification. Classification shall include:

- (a) Administrative;
- (b) Instructional -- including teachers, counselor, nurse, psychologist, therapists (speech, occupational/physical therapist, etc.), specialist teacher;
- (c) Instructional support staff - including teacher support assistant, classroom aides, etc.; and
- (d) Operational support staff -- including secretaries, office clerks, etc.

Salary increments for all employees shall be based on employee performance and may include variable percentage or fixed increases as determined by the Board of Trustees. The Board shall, at the earliest possible date, adopt and publish a pay plan for all employees.

CREDIT/DEBIT CARDS

The Board recognizes the value of an efficient method of payment and recordkeeping for certain expenses. The Board, therefore, authorizes the use of credit cards and debit cards (referred to collectively as “Credit Cards”). The authorization, handling and use of credit cards have been established to provide a convenient and efficient means to purchase goods and services from vendors.

Although the cards are issued in the Charter School employee’s name, they are considered School property and should be used with good judgment.

Credit cards shall not be used in order to circumvent the general purchasing procedures established by Pennsylvania State law and Board policy. The Board affirms that credit cards shall only be used in connection with Board-approved or Charter School-related activities and

that only those types of expenses that are for the benefit of the Charter School and serve a valid and proper purpose shall be paid for by credit card.

Under no circumstances shall credit cards be used for personal purchases. The credit card is for business related purchases only and personal charges are not to be made to the card. Purchases are limited to meals, refreshments, travel, small supplies and other Charter School-related items.

The cardholder is the only person entitled to use the card and is responsible for all charges made against the card. Improper use of the card can be considered a misappropriation of Charter School funds. Inappropriate or illegal use of the credit card may result in a loss of credit card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

All charges are billed directly to and paid directly by the Charter School. Therefore, any personal charges on the credit card could be considered misappropriation of Charter School funds since the cardholder cannot pay the bank directly.

Credit cardholders are expected to comply with internal control procedures in order to protect Charter School assets. This includes keeping receipts, coding transaction to the appropriate general ledger code, reviewing the transaction for propriety, reconciling monthly statements and following proper card security measures. Cardholders are responsible for reconciling their monthly statement and resolving any discrepancies by contacting the supplier first and then the bank.

The CEO shall annually submit for Board approval the position titles authorized to use the Charter School credit card(s) in conducting Charter School business.

SCHOOL PROPERTY RECORDS

In order to ensure accountability for the prudent use of public funds, the Board of Trustees directs that a property accounting and inventory system be established and maintained for all Charter School real and personal property as defined herein.

1) Real property shall consist of all land and buildings acquired by the Charter School in the course of its operations.

2) Charter School personal property shall consist of furniture and equipment items with a purchase price in excess of \$500.00. All furniture or equipment items of lesser value shall be placed in use without being recorded on personal property inventory records.

3) The Charter School's property records of consumable supplies and materials shall be maintained on a continuous inventory basis.

The CEO shall be responsible for the design and implementation of the Charter School's real and personal property inventory control system. Such inventories shall be maintained on a current basis and shall be verified by annual physical inventories.

A system of property records shall show, as appropriate to the item recorded:

- a. description and identification;
- b. manufacturer;
- c. year of purchase;
- d. initial cost;
- e. location;
- f. condition; and
- g. depreciation and current valuation in conformity with insurance requirements.

The CEO shall be responsible for the design and implementation of a system for maintaining all the Charter School's consumable supplies and materials including books and computer software. Inventory balances shall be verified by periodic, unannounced spot checks to determine loss, mislocation or depreciation and any major loss shall be reported to the Board.

This delegation carries with it the delegation of whatever authority is necessary for the successful implementation of an effective inventory control system at the Charter School.

None of the Charter School's personal property or equipment shall be removed for personal or non-Charter School use, except in accordance with Board policy.

Unneeded surplus, unusable, and/or obsolete property can consume valuable storage space. It is the Board's intention to quickly and efficiently dispose of such property, thus avoiding future unnecessary handling and storage.

When it has been determined that any property is obsolete or unneeded surplus and should be exchanged for other property, the Board of Trustees authorizes that such property may be sold or exchanged in accordance with any of the following provisions:

- a) The property is no longer required for its originally intended purpose.
- b) The property is considered out of date, obsolete, or in unusable condition.
- c) The property is in quantities exceeding any possibility of effective use by the Charter School.

If any staff member identifies property that is unused, obsolete or surplus, that member is to notify the Charter School's CEO of such property. It is the CEO's responsibility to create a list of such property and provide this list to the Board.

Determination as to whether any of the State criteria apply to property possessed by the Charter School shall be made by the CEO who may delegate this responsibility provided that all requirements of this policy are met. As necessary, the CEO or his/her designee may call upon other staff personnel to develop criteria to aid in this identification.

School property owned by the Charter School which is unusable, obsolete, surplus to need, has been replaced, or is otherwise no longer of value to the Charter School will be listed and presented to the Board with a recommendation for disposition. The Board is vested with the final authority to approve any disposition.

Items of some value may be disposed of in the following ways:

- a) Public auction generally conducted by a licensed auctioneer;
- b) Salvage scrap sold to local dealers;
- c) Negotiated sale normally used when disposing of items or property of substantial value;
- d) Sealed bid normally used for items of substantial value or unique qualities;
- e) Pre-priced sale large quantities of obsolete or surplus furniture and equipment may be sold by this method;
- f) Some items have no sale value or disposal exceeds the net worth; These items may be donated to charitable organizations or otherwise discarded;
- g) Offered to the general public at a predetermined price.

Equipment being replaced may be traded in on new equipment as part of the purchase procedure.

Charter School employees, officers, directors, etc. may not receive or accept abandoned or disposed of property. Charter School employees, officers, directors, etc. may submit sealed bids or purchase pre-priced items, as long as the person had nothing to do with the bid process or pricing and must recuse themselves from any decisions regarding disposition of the items.

No property that has been acquired by, or conveyed or granted to the Charter School shall be considered as abandoned by it unless and until the Board has passed, by vote of the majority of members of the Board, a resolution declaring it to be the intention of the Charter School to vacate and abandon same, whereupon all rights, title, and interest of the Charter School in such property shall be fully terminated.

The disposition of the Charter School real estate shall be handled at the discretion of the Board in accordance with applicable state and federal laws, including applicable sections of the Public School Code of 1949 and any applicable sections of the PA Municipalities Planning Code.

ADDITIONAL MISCELLANEOUS ITEMS

The CEO or his/her designee (the designee must be someone other than the employee maintaining cash records) is responsible for opening bank statements, canceled checks, and appropriate advances. The CEO, designee, or other responsible Board member(s) shall periodically review such items, before turning them over for reconciliation. Unusual items noted during the review shall be investigated promptly.

The CEO, other responsible Board member(s), or a representative from the Charter School's accounting firm shall approve journal entries.

The CEO or designee is responsible for implementing additional procedures where necessary to ensure proper internal controls.

TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS CONTROL. THIS POLICY IS NOT INTENDED TO CONFLICT WITH CHARTER REQUIREMENTS.