Section II. Sustainability

Subsection A. Organization's Fiscal Viability

PART 2. NARRATIVE: STRUCTURES AND SYSTEMS FOR FISCAL VIABILITY

Accounting Procedures:

Check Signing: Officers, Principal Educators, and the Business Administrator are authorized to sign checks after completing a fingerprint clearance card and background check affidavit, and signing onto the bank account signature card. Two signatures are required unless the check is for a routine payment (such as payroll or utilities) and a second signor is unavailable.

Payment of Bills: Invoices must include the name, address, and phone number of the vendor, and a description of products or services provided. Checks will be issued within 15 business days after receipt of a complete invoice for a pre-approved expenditure. Individuals who receive more than $400 per year must provide a W-9 in order to receive payment.

Bidding: At least three oral quotes should be received for purchases between $2,500 and $5,000.

Capital Assets: Our capital asset threshold is $2500.

Reports: The following monthly reports are kept on file in the office. Monthly reports are completed the 21st day of the month following the reporting period.

- Classroom P&Ls
- Bank reconciliation: summary and detail (for bank files)
- Quickbooks database
- Prop 301 Funds tracking sheet
- Detailed budget vs. actual
- Payroll reports:
  - Payroll summary
  - EFT Worksheet—AZ Taxes and Federal Taxes
  - ASRS deposit receipt
  - ASRS deposit detail
  - Direct Deposit receipt from Quickbooks

Sedona Charter School Accounting Policy: Sedona Charter School will follow accounting policies and procedures that comply with generally accepted accounting principles (GAAP). This includes using an accounting system that provides for the proper recording and reporting of financial data and following standard internal control procedures. The school will utilize a chart of accounts that has been developed to align with the chart of accounts found in the Uniform System of Financial Records for Charter Schools (USFRCS) for the purposes of complying with budgeting and annual financial reporting. Revisions will be made periodically for changes in laws, regulations, and accounting pronouncements that cover charter school accounting, financial reporting, and compliance with state and federal laws.

Sedona Charter School Procurement Policy: Sedona Charter School will follow accounting policies and procedures that comply with generally accepted accounting principles (GAAP). Any procurement of goods and services shall be made by the procurement officer/authorized agent, in their best judgment, upon considering the totality of the circumstances surrounding the procurement, which may include but not be limited to, price, quality, availability, timelines, reputation and prior dealings.

Sedona Charter School shall not purchase any goods or services from any member of the governing board, an immediate family member of any member of the governing board nor from any entity in which any member of the governing board or an immediate family member of a governing board member may benefit from such a procurement, unless authorized by the governing board after a full disclosure of the potential benefits, and after the consideration set forth in paragraph 1 above.

Bidding Policy: Expenditures over $2,500: Sedona Charter School requires at least 3 oral quotes for purchases of goods and services valued at $2,500 or more per year.

Bidding Policy: .Expenditures over $25,000:

1. Requests for Proposals

1.1 Sedona Charter School requires sealed proposals for all purchases of goods, services, and construction projects of $25,000 or more.

1.2 Instructions to bidders will be made available to any and all bidders who request them in person or in writing.

1.3 Requirements are the same for all bidders, regardless of how they learned of the project.

1.5 Bidder shall direct any request for explanation or clarification regarding the Request for Proposal (RFP) in writing to the school. The request shall be acknowledged by the Governing Council or its appointed representative.

1.6 Failure to examine specifications, standard provisions, drawings, and instructions shall be at the bidder's risk.

2. Submission of Proposals

2.1 Bidders must furnish all information required by the RFP and sign each sheet.

2.2 Proposals must be enclosed in a sealed envelope, clearly worded on the outside with "Sedona Charter School" and the number of the RFP.

2.3 All unused RFP sheets must be returned.

2.4 Samples of items, when required, must be submitted within the time specified in the Instructions to Bidders document.

2.5 Unit price or itemized prices offered must be shown in totals.

2.6` Proposals must show net price including state and local taxes and shipping.

3. Awarding of Contract

3.1 A contract will be awarded on the basis of the best responsive proposal to the RFP specifications. Price, service history, experience, and immediate availability may be determining factors in awarding proposals. Determining factors may vary according to project. Proposals must meet the minimum specification; therefore, services which exceed the minimum specifications will receive no additional consideration.

3.2 Sedona Charter School expressly reserves the right to:

Waive any defect or informality in any proposal or procedure.

Reject any or all proposals.

Reissue an invitation for proposal.

Procure any item by other means.

Increase or decrease the specified services, or both.

Fundraising Coordination Policy: When an individual or class consider conducting a fundraiser, the individual or class teacher will notify the Governing Council in writing, giving dates and anticipated income-expense. As money comes into the classroom or committee, it will be turned into the office, with the names and addresses of the donors whenever possible. The office will log the donor information, income, and expenses and ensure that donations earmarked for a particular classroom are returned to the PE for expenditure as the PE deems appropriate.

Process Used in Fiscal Decision-Making: Budget development begins in the spring. Governing Council members, including the Business Administrator and Principal Educators, review prior years' expenditures and consider upcoming enrollment, other one-time issues, and developments in state funding. Then they develop a draft balanced budget. The Governing Council reviews this budget, and modifies and/or approves the budget for submission to the state.

Classroom related budget lines (except salary related expenses) are divided among the classrooms in proportion to the enrollment in each classroom.

During the school year, the Principal Educators have authority to spend within their classroom as long as expenditures don't go over their budget. The Business Administrator has authority to spend on routine business and facilities expenditures within budget.

Expenditures that have not been budgeted for are brought to the Governing Council for review and consideration prior to the purchase.

We strive to always have at least one person on the Governing Council with a strong background in finance, who can help with the budgeting and financial oversight processes.

Site-Level Personnel with Fiscal Authority

See above.

Fiscal Viability Related to Fundraising

We net $25,000 to $30,000 in fundraising and donations each year . We also net about $30,000 in tax credit revenue each year. This is important to our continued fiscal strength.

Philanthropic Support from the Community

Essentially the only philanthropic support Sedona Charter School receives outside of our parent body is some tax credit revenue.