



Board Policy 3010

Revision approved 3-11-2025

Fiscal Policies & Procedures

Overview

The Board of Directors of Method Schools has reviewed and adopted the following fiscal policies and procedures to ensure the most effective use of the funds of Method Schools. The purpose of the adopted policies is to support the mission of Method Schools and to ensure funds are budgeted, accounted for, expended, and maintained appropriately.

1. The Board of Directors formulates financial policies and procedures and can delegate administration of the policies and procedures to the Directors and reviews operations and activities on a regular basis.
2. The Directors have responsibility for all operations and activities related to financial management.
3. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursements, payrolls, and reconciliation of bank accounts.
4. The Board of Directors will commission an annual financial audit by an independent third-party auditor who will report to the Directors. The Board of Directors will approve the final audit report and a copy will be provided to the charter-granting agency. Any audit exceptions and/or deficiencies will be resolved to the satisfaction of the Board of Directors and the charter-granting agency.
5. The Governance Board can appoint another individual within the organization to perform the Director's responsibilities in the case of absence.

PURCHASING

Overview

The Governing Board recognizes the importance of developing a system of internal control procedures to help fulfill its obligation to monitor and safeguard school resources. To facilitate warrant processing, the Director(s) or designee (Business Office) shall ensure that purchasing, receiving, and payment functions are kept separate. He/she shall also ensure that invoices are paid expeditiously so that the school may, to the extent possible, take advantage of available discounts and avoid finance charges.

Specific Policies & Procedures Related to Purchasing

1. The Director(s) or designee may authorize expenditures and may sign related contracts within the approved budget. The Directors or designee must approve all purchases. Purchase requisitions, authorizing the purchase of all items (format to be provided by Business Office), must be approved by the Directors or designee, and submitted to Business Office with the related invoice.
2. Staff members authorized to make purchase requests or use AMEX cards shall enter each request in the purchasing module in SmartFox.
3. Expenditures should be pre-approved by a director or executive team member PRIOR to purchasing
4. When approving purchases, the authorized approver must:
 - A. Determine if the expenditure is budgeted
 - B. Determine if funds are currently available for expenditures (i.e. cash flow)
 - C. Determine if the expenditure is allowable under the appropriate revenue source
 - D. Include the proper account coding
 - E. Determine if the price is competitive and prudent, and the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations. All purchases over \$25,000 must include documentation of 'Good Faith' effort to obtain the possible cost for comparable goods and services.
5. The Board of Directors will review all expenditures via approval of a check register presented at each meeting of the Board. The check register will list all checks written during a set period and includes check #, payee, date, and amount.
6. The Board of Directors must approve contracts over **\$75,000**.

Credit Cards

The Directors may authorize an individual to use a school credit card to make an authorized purchase on behalf of the school, consistent with guidelines provided by the Directors and/or Board of Directors.

- A. The Purchasing policy applies to all credit card use
- B. Related documentation of all purchases will be reconciled on a monthly basis.
- C. If receipts are not available or are “missing”, the individual responsible for the charge will be responsible for the payment.
- D. Credit cards will bear the names of Method School and the corresponding Director.

CONTRACTS

Overview

The Governing Board recognizes its responsibility to enter into contracts on behalf of the school for the acquisition of equipment, supplies, services, and other resources necessary for the achievement of school goals. In exercising this authority to enter into a contract, the Board shall ensure that the school's interest is protected and that the terms of the contract conform to applicable legal standards.

The Board may, by a majority vote, delegate to the Director(s) or designee (Business Office) the authority to enter into contracts on behalf of the school.

Specific Policies & Procedures Related to Contracts

1. Consideration will be made of in-house capabilities to accomplish services before contracting for them.
2. Office staff will maintain a contract file evidencing the competitive bids obtained (if any) and the justification of need for any contracts over \$50,000.
 - a. Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the school.
3. Written contracts clearly defining work to be performed will be maintained for all contract service providers (i.e. consultants, independent contractors, subcontractors).
4. Contract service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and worker's compensation insurance currently in effect. The Directors may also require that contract service providers list the school as an additional insured.
5. If the contract service provider is a sole proprietor or a partnership (including LP, and LLP), the School will obtain a W-9 from the contract service provider prior to submitting any requests for payments to Business Office.
6. The Directors will approve proposed contracts and modifications in writing.
7. Contract service providers will be paid in accordance with approved contracts as work is performed.
8. The Director(s) are responsible for ensuring the terms of the contracts are fulfilled.

9. Potential conflicts of interest will be disclosed upfront, and the Directors and/or Member(s) of the Board of Directors with the conflict will excuse themselves from discussions and from voting on the contract in accordance with the Board approved Conflict of Interest Policy on file.

EMPLOYEE REIMBURSEMENTS

Expense Reimbursements

1. Any individual making an authorized purchase on behalf of the school must provide Business Office with appropriate documentation of the purchase.
2. Employees will be reimbursed for expenditures within thirty (30) days of presentation of appropriate documentation.
3. Authorized purchases will be promptly reimbursed thru payroll or by bank check upon receipt of appropriate documentation of the purchase. (method of payment is at the discretion of Method Schools).
4. The employee and the Director(s) must sign the expense report.
5. Expenses greater than two months old may not be reimbursed.
6. Employees will complete expense reports monthly, as necessary, to be submitted to Business Office.
7. Individuals who use personal funds to make unauthorized purchases will not be reimbursed.

Travel/Professional Development Reimbursements

1. Purpose - This policy outlines the reimbursement guidelines for employees traveling on behalf of Method Schools. The policy is designed to ensure compliance with General Services Administration (GSA) rates for per diem expenses while providing flexibility for higher expenses with executive approval when necessary.

2. Scope - This policy applies to all employees who travel for business purposes and seek reimbursement for travel-related expenses.

The Director of the employees' department must pre-approve all out-of-town travel.

The Directors must pre-approve all Professional Development requests – See PD approval procedures.

3. Per Diem Rates - Method Schools follows the GSA-established rates for per diem allowances for lodging, meals, and incidental expenses. Employees can choose to be reimbursed for meal and incidental expenses in one of the following ways:

- **Option 1: GSA Per Diem Reimbursement**

Employees may claim the GSA per diem rate for the location to which they are traveling. Under this option, no receipts are required for meals and incidental expenses, as the GSA rate covers these costs.

- **Option 2: Company P-Card Usage**

If a company purchasing card (P-Card) is issued to the employee, it may be used for meal and incidental expenses. However, receipts must be provided as backup documentation for all transactions made with the P-Card. P-card use should be for

allowable expenses under the GSA rate, unless executive approval has been obtained for exceptions (see Section 5).

4. Lodging Expenses - Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by the Directors and the event is more than 50 miles from either the employee's residence or the school site.

Employees are required to book lodging at or below the GSA lodging rate for the location where they are staying. If the lodging rate exceeds the GSA rate due to unavailability or other legitimate reasons (e.g., a conference requiring specific accommodations), the employee must obtain executive approval prior to booking the higher-cost lodging.

5. Expenses Exceeding GSA Rates - In some circumstances, such as conferences, industry events, or high-demand periods, it may not be possible to book lodging or cover meal costs within the GSA rates. In these cases:

- Employees may submit a request for **Executive Approval** to incur expenses beyond the GSA rates.
- The request must include documentation showing that the higher rates are necessary and unavoidable (e.g., conference hotel requirements, peak travel season).
- **Executive Approval** must be obtained in advance of travel.

6. Mileage Reimbursement:

- Employees may be approved to use Method vehicles for work related travel.
- Employees will be reimbursed for mileage in their personal vehicle when pre-approved by the Directors.
- Mileage will be reimbursed at the annual IRS mileage rate for the distance traveled, less the distance from the employee's residence to the school site for each direction traveled.

7. Receipts and Documentation

- Per Diem Option: No receipts are required for lodging, meals and incidental expenses if the employee opts for the GSA per diem and stays within the rates. An employee travel reimbursement form must be submitted in SmartFox purchasing.
- P-Card Usage: Receipts must be provided for all P-Card transactions. Any expenses charged to the P-Card that exceed GSA rates without executive approval will not be reimbursed and may become the responsibility of the employee. P-card expenses and related documentation must be submitted in SmartFox purchasing.

8. Non-Reimbursable Expenses

The following are examples of non-reimbursable expenses:

- Personal entertainment (movies, tours, etc.)
- Upgrades to hotel rooms or airfare beyond what is necessary for business purposes (unless pre-approved)
- Alcoholic beverages

9. Procedure for Submitting Reimbursement

Employees must submit reimbursement requests in SmartFox purchasing within 30 days of completing their travel. The reimbursement package must include:

- A completed employee expense report form
- Receipts (if P-Card was used or expenses exceed GSA rates)
- Documentation for any expenses exceeding GSA rates, with corresponding executive approval if applicable

Employees will be reimbursed via direct deposit with the payroll in which their submission is made (payroll dates are typically 9th-24th paid on the last day of the month and 25th-8th paid on the 15th)

10. Enforcement

Failure to comply with this policy may result in delayed or denied reimbursement and may lead to disciplinary action, including loss of P-Card privileges. Unauthorized purchases will not be reimbursed.

This policy aims to maintain clarity and fairness in handling travel expenses, ensuring that both employees and Method Schools are protected while adhering to GSA guidelines.

Board of Director Expenses

1. Similar to employees, if a Board member incurs authorized expenses while carrying out the duties of the school, the Board member will be required to complete and sign an expense report providing all corresponding expense receipts.
2. The Director(s) will approve the expense report and submit it to the Business Office for processing.

ACCOUNTS PAYABLE

Bank Check Authorization

1. All original invoices will immediately be forwarded to the Directors for approval. The Directors will carefully review each invoice, attach all supporting documentation, and verify that the specified services and/or goods were received. When receiving tangible goods from a vendor, the person designated to receive deliveries should trace the merchandise to the packing list and note any items that were not in the shipment. The packing list should be submitted to the school's Business Office with the invoice.
2. Once invoices are approved by the Directors a check authorization will be provided and an allocation to the specific budget line will be noted when applicable. All approved invoices will be sent to the Business Office on a weekly basis. (It is the responsibility of the Directors to be aware of invoice due dates to avoid late payments and fees.) The Business Office will only process invoices with sufficient supporting documentation and will communicate with the Directors if documentation is missing, before paying all expenditures.
3. The Directors may authorize the Business Office to pay reoccurring expenditures (i.e., Utilities, Rent) without the Director's formal approval on the invoice when dollar amounts fall within a predetermined range. A list of the applicable vendors and invoice dollar range for each vendor must be provided to the Business Office on an annual basis.

Bank Checks

1. The Board of Directors will approve in advance the list of authorized signers on the school account. The Directors, Board Treasurer and any other employee (designated by the Board) may sign bank checks within the established limitations.
2. The Board of Directors authorized the school's Directors to open and close bank accounts.
3. The Directors in conjunction with the Business Office will be responsible for all blank checks and will keep them under lock and key.
4. When there is a need to generate a bank check, the Directors will send appropriate and approved documentation to the Business Office.

5. Once approved by the Directors, the Business Office will process checks based on authorized approval. The Business Office will be provided a facsimile signature stamp of the school's Director(s) for check processing.
6. Checks may not be written to cash or bearer and under no circumstance will any individual sign a blank check.
7. Business Office will record the check transaction(s) into the school's General Ledger using the appropriate budget account code.
8. Business Office will distribute the checks as followed:
 - a. Original: Mailed or delivered to payee
 - b. Duplicate or Voucher: Attached to the invoice and filed by vendor name by Business Office with a duplicate copy attached in the school's General Ledger
 - c. Cancelled Checks: Will be filed numerically with bank statements
9. Voided Checks: Will have VOID written in ink. Original checks will be attached to the duplicate and forwarded to the Business Office provide who will attach any other related documentation.
10. Stale Dated Checks/Unclaimed Property: Under the Federal Uniform Commercial Code, checks are valid for 6 months. The state of California uses the UCC as model law, thus Method checks are valid for 6 months, beyond that term checks are considered state dated and a bank may/may not accept for deposit.

Per state law, a payee has four years to collect on payments recorded in writing. Method will attempt to contact payee to re-issue stale dated checks. Checks older than 4 years will be considered permanently stale and written off to Method's balance sheet.

Any unclaimed cashier's checks or money orders are subject to CA Escheat. However, the institution (ie bank) the item is drawn on is responsible.

The State Controller's Office describes unclaimed property:

Unclaimed property is generally defined as any financial asset left inactive by its owner for a period, typically three years. California unclaimed property law does not include real estate. The most common types of unclaimed property are:

- Bank accounts and safe deposit box contents
- Stocks, mutual funds, bonds, and dividends
- Uncashed cashier's checks and money orders
- Certificates of deposit
- Matured or terminated insurance policies.
- Estates Mineral interests and royalty payments
- Trust funds and escrow accounts
- Utility account deposits

Bank Reconciliation

1. Bank Statements will be reviewed jointly by the Director(s) and the Business Office.
2. Business Office will conduct thorough analysis of bank statement examining all paid checks and deposits for date, name, amount and endorsement. Any discrepancies regarding paid checks or deposits will be further researched and brought to the attention of the Director(s).
3. The Business Office will prepare the bank reconciliation thru bank account statement verifications and will facilitate any necessary adjustments.
4. The Business Office will compare the reconciled bank balance to the cash in the bank account and General Ledger. Any material discrepancies will be reported immediately to the Director(s).

Accounts Receivable

1. Documentation will be maintained for accounts receivable and forwarded to Business Office.
2. Accounts receivable will be recorded by Business Office in the school's General Ledger and collected on a timely basis.

Cash Receipts (Cash and Checks)

The school will use the guidelines as set forth by the school's Auditors and GASB Accounting Guidelines and practices.

Returned Check Policy

1. A returned-check processing fee will be charged for checks returned as non-sufficient funds (NSF). Unless otherwise pre-approved by Business Office or Directors, payment of the NSF check and processing fee must be made by money order or certified check.
2. In the event that a second NSF check is received for any individual, in addition to the processing fee, the individual will lose check-writing privileges. Payment of the NSF check, the processing fee and any subsequent payment(s) by that individual must be made by money order or certified check.
3. In the case of NSF checks written by parents of students, failure to pay may result in the withholding of report cards/transcripts at the end of the semester and/or school year until payment is received, unless other mutually agreeable arrangements are approved by the Director(s) and/or Governing Board.
4. If unsuccessful in collecting funds owed, the school may initiate appropriate collection and/or legal action at the discretion of the Directors and/or Governing Board.

(*As of the Policy Adoption Method did not maintain a Petty Cash account)

Petty Cash

1. The Directors will manage the petty cash fund.
2. The petty cash fund will be capped at \$600.00.
3. All petty cash will be kept in a locked petty cash box in the safe.
4. All disbursements will require a completed and signed petty cash slip. A register receipt for all purchases must be attached to the petty cash slip.
5. At all times the petty cash box will contain receipts and cash totaling \$600.00. A register receipt must support the petty cash slip. The individual

- using the petty cash to make a purchase is responsible for submitting the receipt for the petty cash slip to the Directors within 48 hours of withdrawing the petty cash.
6. When expenditures total \$450.00 (when cash balance is reduced to \$150.00), the Director will total the disbursement and complete a petty cash reimbursement form. This should be done on at least a quarterly basis. The petty cash slips and supporting receipts will be attached to the reimbursement request form and forwarded to the Business Office.
 7. Petty cash fund reimbursement checks will be made payable to the Directors.
 8. Any irregularities in the petty cash fund will be immediately reported in writing to the Directors.
 9. Loans will not be made from the petty cash fund.

Financial Reporting

The Director(s) or designee (Business Office) shall ensure that all financial reports are prepared in accordance with law and in conformity with generally accepted accounting principles and financial reporting standards stipulated by the Governmental Accounting Standards Board and the California Department of Education (CDE). The Director(s) in accordance with the Business Office shall establish a system of ongoing internal controls to ensure the reliability of financial reporting.

When required by law or the Board, the Director(s) or designee (Business Office) shall submit to the Board reports of the school's financial status, including, but not limited to, any report specified in this Board policy or accompanying administrative regulation. When any such report must be approved by the Board prior to its submission to a local, state, and/or federal agency, the Director(s) or designee (Business Office) shall provide the report to the Board in sufficient time to enable the Board to carefully review the report and meet any applicable submission deadline.

The Board shall regularly communicate the school's financial position to the public and shall use financial reports to determine what actions and budget amendments, if any, are needed to ensure the school's financial stability.

Unaudited Actual Receipts and Expenditures

On or before September 15, the Board shall approve and file with the County Director(s) a statement of the school's unaudited actual receipts and expenditures for the preceding fiscal year. The Director(s) or designee (Business Office) shall prepare this statement using the state's standardized account code structure (SACS) as prescribed by the Superintendent of Public Instruction (SPI). (Education Code 42100).

Interim Reports

The Director(s) or designee (Business Office) shall submit two interim fiscal reports

to the Board, the first report covering the school's financial and budgetary status for the period ending October 31 and the second report covering the period ending January 31. The reports and supporting data shall be made available by the school for public review. (Education Code 42130)

Within 45 days after the close of the period reported, the Board shall approve the interim report and certify, on the basis of the interim report and any additional financial information known by the Board.

Annual Audit

The Board of Directors will annually select an audit by March 15th to conduct the annual audit.

The audit shall include, but not be limited to:

- A. An audit of the accuracy of the financial statements
- B. An audit of the attendance accounting and revenue accuracy practices
- C. An audit of the internal control practice

To conduct the audit, the Board shall select a certified public accountant or public accountant licensed by the State Board of Accountancy from among those deemed qualified by the State Controller.

No later than December 15, the report of the audit for the preceding fiscal year shall be filed with the County Superintendent.

Budget Development and Adoption Process

In order to provide guidance in the development of the budget, the Board shall annually establish budget priorities based on identified school needs and goals and on realistic projections of available funds.

The Director(s) or designee (Business Office) shall oversee the preparation of a proposed school budget for approval by the Board and shall involve appropriate staff in the development of budget projections.

The Board shall adopt the school budget on or before July 1 of each year. (Education Code 42127)

At a public meeting held on a date after the public hearing on the budget, the Board

shall adopt the budget following its adoption of the LCAP or an annual update to the LCAP at the same meeting. The budget shall include the expenditures necessary to implement the LCAP or the annual update to the LCAP. (Education Code 42127)

The budget that is formally adopted by the Board shall adhere to the state's Standardized Account Code Structure as prescribed by the Superintendent of Public Instruction. (Education Code 42126, 42127).

Liabilities / Insurance/ Records Retention

Loans

1. The Directors and the Board of Directors will approve all loans from third parties. In the case of a long-term loan, approval may also be required from the charter-granting agency in accordance with the terms of the charter petition and/or other lenders in accordance with the loan document.
2. Once approved, a promissory note will be prepared and signed by the Directors before funds are borrowed.
3. Employee loans are not allowed.

Financial Institutions

1. All funds will be maintained at a high quality financial institution according to California code and Method Investment Policy 3040.
2. All funds will be maintained or invested in high quality, short maturity, and liquid funds.
3. Physical evidence will be maintained on-site for all financial institution transactions.

Retention of Records

1. Financial records, such as transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documentation will be retained for a minimum of seven (7) years. At the discretion of the Board of Directors or Directors, certain documentation may be maintained for a longer period of time.
2. Business Office will retain records at their site for a minimum of two (2) years; after which, the remaining five years will be the responsibility of the School.
3. Financial records will be shredded at the end of their retention period.

4. Appropriate back-up copies of electronic and paper documentation, including financial and attendance accounting data, will be regularly prepared and stored in a secure off-site location, separate from the school.

Insurance

1. Business Office will work with the Directors to ensure that appropriate insurance is maintained at all times with a high quality insurance agency.
2. The Directors and Business Office will maintain the files of insurance policies, including an up-to-date copy of all certificates of insurance, insurance policies and procedures, and related claim forms.
3. The Directors and Business Office will carefully review insurance policies on an annual basis, prior to renewal.
4. Insurance will include general liability, worker's compensation, student accident, professional liability, and directors' and officers' coverage. Supplementary coverage will cover the after-hours and weekend activities. Coverage will be in line with the limits listed in the school's approved charter petition.

Fund Balance

Overview

The Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It also is intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy should be established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the school to be in a strong fiscal position that will allow for better position to weather negative economic trends.

Unassigned Fund Balance

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget revision by the School's governing board. In the event of projected revenue shortfalls, it is the responsibility of the Chief Business Official to report the projections to the school's governing board on a quarterly basis and shall be recorded in the minutes.

Any budget revision that will result in the Unassigned Fund Balance dropping below the minimum level will require the approval of 2/3 vote of the school's governing board.

The Fund Balance Policy establishes a minimum Unassigned Fund Balance equal to 3% of total General Fund expenditures. In the event that the balance drops below the established minimum level, the School's governing board will develop a plan to replenish the fund balance to the established minimum level within five years.

Minimum Fund Balance

The school is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The school's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 10 percent of budgeted expenditures and other financing uses. The minimum fund balance/reserve of 10% is to ensure the school's ability to provide necessary services for 2-3 months of operations.

If the reserves are drawn down below the minimum required level of 10 percent, then a budgetary plan shall be implemented to return the reserve to a minimum 10 percent level in no more than a 5- year period. The progress of replenishment shall be reported in the annual budget.

Management of School Assets / Accounts

Overview

The Governing Board recognizes its fiduciary responsibility to effectively manage and safeguard the school's assets and resources in order to help achieve the school's goals for student learning. The Director(s) or designee (Business Office) shall establish and maintain an accurate, efficient financial management system that enhances the school's ability to meet its fiscal obligations, produces reliable financial reports, and complies with laws, regulations, policies, and procedures. He/she shall ensure that the school's accounting system provides ongoing internal controls and meets generally accepted accounting standards.

Internal Controls/Fraud Prevention

The Board expects Board members, employees, consultants, vendors, contractors, and other parties maintaining a business relationship with the school to act with integrity and due diligence in dealings involving the school's assets and fiscal resources.

The Director(s) or designee (Business Office) shall develop internal controls which aid in the prevention and detection of fraud, financial impropriety, or irregularity within the school. These internal controls may include, but are not limited to, segregating employee duties relating to authorization, custody of assets, and recording or reporting of transactions; providing detailed, written job descriptions explaining the segregation of functions; adopting an integrated financial system; conducting background checks on business office employees; and requiring continuous in-service training for business office staff on the importance of fraud prevention.

All employees shall be alert for any indication of fraud, financial impropriety, or irregularity within their area of responsibility. Any employee who suspects fraud, impropriety, or irregularity shall immediately report those suspicions to his/her immediate supervisor and/or the Director(s) or designee (Business Office). In addition, the Director(s) or designee (Business Office) shall establish a method for employees and outside persons to anonymously report any suspected instances of fraud, impropriety, or irregularity.

The Director(s) or designee (Business Office) shall have primary responsibility for

any necessary investigations of suspected fraud, impropriety, or irregularity, in coordination with legal counsel, the school's auditors, law enforcement agencies, or other governmental entities, as appropriate.

The Director(s) or designee (Business Office) shall provide regular reports to the Board on the status of the school's internal control procedures and recommend any necessary revisions to related Board policies or administrative regulations.

Asset & Equipment Inventory

Assets

1. An asset is defined as any individual item, purchased or donated, with a value of \$5000 or more and with a useful life of more than one year.
2. All receipts for purchased assets shall be attached to the purchase request in SmartFox and saved with the transaction in the accounting system.
3. Business Office will maintain an inventory or log of all assets. The log will include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting assets.
4. Business Office will take a physical inventory of all assets at least 90 days before the end of each fiscal year, indicating the condition and location of the asset.
5. The Directors will immediately be notified of all cases of theft, loss, damage or destruction of assets.
6. The Directors will submit to Business Office written notification of plans for disposing of assets with a clear and complete description of the asset and the date of disposal.

Equipment

1. Equipment includes items such as computers, tech devices and accessories that do not exceed the \$5000 asset threshold.
2. All receipts for purchased equipment shall be attached to the purchase request in SmartFox and saved with the transaction in the accounting system.
3. Devices loaned to students for academic purposes shall be tracked/logged during the enrollment process. (See Policy BP 2022-1)
4. Devices provided to employees shall be tracked/logged during the onboarding process. (See Policy BP 2022-1).
5. The Directors will immediately be notified of all cases of theft, loss, damage or destruction of equipment.