



**West Side Summit
Procurement Procedure
2 CFR 200- Uniform Administrative Requirements, Cost Principles,
and Audit Requirements For Federal Awards
Standards for Financial and Program Management
(Sections §200.300-309)**

Procurement Policy:

Prior to and upon the acceptance and expenditure of funds awarded to the West Side Summit by the Federal Government, West Side Summit will ensure that the funds will be used for the purposes to fulfill the grant. The funds will be used in a manner consistent with state and federal statutes, rules and regulations.

Minnesota Special Education Procurement Policy:

Prior to and upon the acceptance and expenditure of funds awarded to West Side Summit by the Federal Government, West Side Summit will ensure that the funds will be used for the purposes of providing special education and related services for children with disabilities from birth to 21. The funds will be used in a manner consistent with state and federal statutes, rules and regulations. Federal funds received by the agency from the Individuals with Disabilities Education Act, P.L. 108-466 will abide by the mandates as described in the Special Education Funds Statement of Assurances certification. This document will be reviewed and signed annually by the district's Director of Special Education and School Director. This document is submitted annually to the Minnesota Department of Education (MDE). The form may be obtained through the Minnesota Department of Education. West Side Summit will maintain supporting information required for the local Total Special Education System (TSES) on file in West Side Summit's school office.

Misuse of Federal funds will result in a prompt investigation led by the school board and law enforcement. Upon finding evidence of fraud or intentional misuse of federal funds, the guilty party may be dismissed for just cause from employment in addition to any criminal or civil prosecution or litigation.



Supporting Document: Special Education Funds Statement of Assurances

SUPPORTING POLICIES

- **Conflict of Interest Policy**
- **Nepotism Policy**
- **Nondiscrimination Policy**
- **Record Retention Policy**

Conflict of Interest (Section §200.112-113)

West Side Summit will document, in writing, any potential conflicts of interest and hold on file in school Director's office. In addition, West Side Summit will consider and disclose all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosure forms are available through the administration office.

West Side Summit maintains written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. The Uniform Grant Guidance 2 C.F.R. §200 includes the following provisions:

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of West Side Summit may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, West Side Summit may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of *nominal value*. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of West Side Summit.

West Side Summit defines nominal value as an expense of five dollars (\$5.00) or less.

Supporting Document: Conflict of interest policy and disclosure form Nepotism Policy



To avoid a variety of personnel problems (the perception of favoritism, awkward workplace situations, difficult work environments, employee morale and job satisfaction, and poorer job performance by other employees) charters schools are required to have a nepotism policy regarding employment and employment benefits.

Supporting Document: Nepotism policy

Nondiscrimination Policy

To meet grant requirements, West Side Summit has in place written personnel policies covering job descriptions, hiring procedures, promotions and dismissals. West Side Summit has a written non-discrimination policy in place prohibiting discrimination based on race, sex, age or marital status in its employment practices.

It is the established policy of the West Side Summit to provide equal employment opportunities to all qualified persons and to administer all aspects and conditions of employment without regard to race, religion, color, sex, gender, sexual orientation, pregnancy, age, national origin, ancestry, physical or mental disability, severe/morbid obesity, medical condition, military or veteran status, genetic information, marital status, ethnicity, alienage or any other protected classification, in accordance with applicable federal, state, and local laws. West Side Summit takes allegations of discrimination, intimidation, harassment and retaliation very seriously and will promptly conduct an investigation when warranted. Upon finding evidence of discrimination, the school board of West Side Summit will discipline an individual by providing a written warning up to termination.

Equal employment opportunity includes, but is not limited to, employment, training, promotion, demotion, transfer, leaves of absence and termination.

Supporting Document: Nondiscrimination policy

Record Retention Policy

Standards for Financial and Program Management

(Sections §200.300-309)

Through the implementation of the Procurement Procedures and compliance with audit requirements, West Side Summit collects and maintains documentation to support the receipt of federal and state grants. This information also contains necessary detail to prove that the funds were used in accordance with the terms and conditions associated with the grant.

Supporting Document: Record Retention Policy

Subrecipient Monitoring and Management (Sections §200.330-332)



West Side Summit understands that the Minnesota Department of Education will provide the following document when it disburses the federal award:

Required Federal Award Identification

- I. Subrecipient name (which must be a registered name in DUNS)
- II. Subrecipient DUNS number (see 200.32 Data Universal Numbering System (DUNS) number);
- III. Federal Award Identification Number (FAIN)
- IV. Federal award date (see 200.39 federal award date);
- V. Subaward Period of Performance Start and End Date;
- VI. Amount of federal funds obligated by this action
- VII. Total amount of federal funds obligated to the Subrecipient
- VIII. Total amount of federal award;
- IX. Federal award project description, as required to be responsive to the federal Funding Accountability and Transparency Act (FFATA);
- X. Name of federal awarding agency, pass through entity, and contact information for awarding official,
- XI. CFDA Number and Name; the pass through entity must identify the dollar amount made available under each federal award and the CFDA number at the time of disbursement;
- XII. Identification of whether the award is R&D; and
- XIII. Indirect cost rate for federal award (including if the de minimis rate is charged per 200.414 Indirect (F&A) costs).

Indirect Costs Section §200.414

West Side Summit has a negotiated indirect cost rate prepared in accordance with the provisions of Uniform Grant Guidance 2 C.F.R § 200. 414.

West Side Summit has procedures in place that provide reasonable assurance that consistent treatment is applied in the distribution of direct and indirect charges to all grants.

Budget Estimates

West Side Summit uses budget estimates for interim accounting purposes. The school board of West Side Summit approves a budget annually by June 30th prior to the start of the state fiscal year. Special education estimates are entered into SERVS and EDRS. Actual expenditures are entered into the aforementioned systems according to MDE guidelines. BerganKDV will review actual expenditures and compare that to the budget on a monthly basis and share this information with the school board. Should there be a discrepancy, West Side Summit will resolve through ACTION. The review of this information will be



documented in published board minutes. Modifications for the expenditure of federal funds will be managed through the SERVS system. BerganKDV will ensure that SERVS and UFARS accounting data are in alignment. (Refer to policy 701-Establishment of and Adoption of School Budget and Expenditure Authority)

Procurement Standards (Sections §200.317-326)

Individuals requesting material goods or contracts to be purchased with Federal Funds granted to West Side Summit will complete two documents prior to purchase. This practice must be followed for any requests, in addition to tangible items. The Purchase Procurement Request and Procurement Method Rationale assure the district of the following:

- a. all purchases are conducted in a manner providing a full and open competition (See also Conflict of Interest Policy/Procedure), void of excessive requirements, such as experience, bonding, geographical preference
- b. nonduplication of purchases for the same program
- c. the purchase of a quality product rather than brand name
- d. an accurate description of the product and its use

The two aforementioned documents will be maintained for each purchase for a period of 5 years, in accordance with West Side Summit's Record Retention Policy.

The following documents will be maintained for 5 years from the date of submission to the dates of the final expenditure report.

- financial records
- supporting documents
- statistical records, etc.

West Side Summit will maintain quarterly and/or annual reports for ongoing grants, in addition to the aforementioned documents.

Supporting Documents: Record Retention Policy, Purchase Procurement Request and Procurement Method Rationale

Purchase Thresholds

The following are purchase thresholds, West Side Summit's specific procedures on defined for each purchase threshold.

- A. Micro purchase (<\$3,000, no quotations, equitable distributions)
- B. Small purchase (\$3,000-\$50,000, rate quotations, no cost or price analysis)



- C. Sealed Bids (\$50,000, formal advertising, price is a major factor). Requirements for sealed bids:
- a. The invitation for the bid will be publicly advertised and bids must be selected from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
 - b. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond.
 - c. All bids will be publicly opened at the time and place prescribed in the invitation for bid
 - d. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder.
 - e. Any or all bids may be rejected if there is a sound documented reason.
- D. Competitive proposal (>\$50,000, fixed price or cost reimbursement, request for proposal (RFP) with evaluation methods). Requirements for competitive proposal procedures:
- a. Request for proposals must be publicized requests and identify all evaluation factors and their relative importance
 - b. Proposals must be solicited from an adequate number of qualified sources
 - c. The organization must have written method for conducting technical evaluations of the proposals received and for selecting recipients
 - d. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program
 - e. The organization may only use qualification-based methods, whereby competitors qualifications are evaluated and the most qualified competitor is selected, in the procurement of architectural/engineering professional services.
- E. Non-competitive proposal (solicitation of a proposal from only one source, unique product. service). Non-Competitive proposals can be utilized only in one or more of the following situations:
- a. The item is available only from one single source
 - b. The public exigency or emergency for the requirement will not permit delay resulting from competitive solicitations
 - c. The federal awarding agency or pass through entity expressly authorizes noncompetitive proposals in response to a written request from the non federal entity
 - d. After the solicitation of a number of sources, competition is determined inadequate.



Expenditures (purchasing combined with threshold section and each procedure)

1. Purchases are made in accordance with applicable legal requirements. Except for small purchases made from petty cash, purchase orders are required for all purchases not made by a purchase card. (Note: When purchasing instructional or non instructional supplies and materials, the receptionist can print a "shopping cart" for approval by the Ex Director in place of a purchase order.)
2. The receptionist or another administrative person prepares purchase orders upon receipt of a purchase requisition. In some instances, a purchase order may be prepared by the individual department and then forwarded to the Ex Director for approval.
3. The Ex Director must approve all purchase requisitions. The School Board, or its designee, must approve purchase requisitions for items costing more than the current budget amount.
4. All purchase orders are reviewed and approved by the Ex Director.
5. The Ex Director determines if an appropriation exists for the purchase contemplated and if a sufficient amount is available in the appropriation account.
6. Copies of purchase orders are distributed to the vendor. A copy is also retained in the main office.
7. Purchase order numbers are tracked in the google document titled "Purchase Order Numbers."

Construction and Facility Improvement/Development

West Side Summit will provide, when procuring construction or facility improvement contracts or subcontracts exceeding \$100,000 the following; a bid guarantee equivalent to 5% of the bid price from each bidder (such as bid bond or certified check), a performance bond on the part of the contractor for 100 percent of the contract price, and a payment bond on the part of the contractor for 100 percent of the contract price.

Considerations for All Bid Proposals

When considering all purchases, West Side Summit will assure that minority steps business, women's business enterprises and labor surplus area firms are used when possible using the following guidelines:

- I. Placing qualified small and minority businesses and women's business enterprises on solicitation lists



- II. Assuring that small and minority business and women's business enterprises are solicited whenever they are potential sources
- III. Dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by small and minority business and women's business enterprises
- IV. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business and women's business enterprises.
- V. Using the services and assistance, as appropriate, of such organization as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- VI. Requiring the prime contractor, if subcontractors are to be let, to take the affirmative steps listed here.

Supporting Documents: Procurement Request Form and Procurement Method Rationale Form

Contracts

WEST SIDE SUMMIT creates contracts to include the following elements:

- Name of contracting agency and/or individual who will be performing work
- Credentials
- Start and end date of service
- Hourly rate of service
- Where the service is to take place per student IEP
- Maximum threshold of expenditure (ceiling)
- How often the agency or individual will be invoiced (weekly/monthly)

Prior to engaging in a contract with an individual or agency, West Side Summit will collect information regarding the credentials of the individual performing the work.

Contracts are reviewed annually. During this review period, the Executive Director collects documentation of services provided, the dates thereof, costs of service and remaining balance on the contract. If incongruences between the contract and work performed occur, the Executive Director resolves any incongruences by termination of contract or through mediation.

Approval process for New Vendors



1. Check that vendors are not on the suspended or debarred list (SAM.gov) and keep documentation that they are not.
2. The Executive Director must approve all new vendors prior to a requisition being approved or a purchase order issued to new vendor.

Required Certification (Section §200.415)

The Executive Director has the authority to sign legally binding contracts up to \$10,000.00 or more than one year. The West Side Summit board must approve contracts beyond \$10,000.00 or more than one year.

Support Document: Contract Template

Time and Effort Reporting (Section §200.430)

Individuals paid with State and Federal funds will be required to report their time and effort spent on each specific award. Staff will receive annual training on reporting requirements for Periodic Annual Reporting (PAR) and Semi Annual Certifications (SAC). Data collected will be used to support the distribution of the employee's salary or wages between specific activities/cost objectives if the employee works on one or more grants. Data collected from staff will include the following elements:

- Name of individual
- Dates of activity performed
- Description of activity
- Funding source
- Percentage of funding source allocated to activity

Data collected will be substantiated by a calendar or schedule of work performed. The staff member will sign the document after the work has been performed. The School Social Worker and Special Education Administrator will collect the documents and maintain them in the school office for 5 years after the fact. Training log and sign in sheet will also be maintained in the school office. West Side Summit's School Social Worker and Special Education Administrator will provide the office with records of time and effort reporting as complete. The Executive Director and Business Manager will communicate any adjustments in hire at a minimum of two times per year including after December 1 child count and at end of school calendar year.

Supporting Documents: Periodic Activity Reporting (PAR), Semi-Annual Certification (SAC) document, New Hire Form, Record Retention Policy



Materials, Supplies, and Sensitive Items (Section §200.453)

Section 200.453 and cost define supplies less than \$5000 per item.

§ 200.453 Materials and supplies costs, including costs of computing devices. (a) Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable. (b) Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms should be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. (c) Materials and supplies used for the performance of a Federal award may be charged as direct costs. In the specific case of computing devices, charging as direct costs is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award. (d) Where federally donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

Equipment is defined in Section §200.33 and cost more than \$5,000 per item.

§200.33 Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. See also §§200.12 Capital assets, 200.20 Computing devices, 200.48 General-purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

Sensitive Items

West Side Summit will maintain an inventory list of all equipment purchased over \$5,000 and sensitive items purchased with federal special education funds that are still in possession of the school (sensitive items such as iPads, iPods, cellular phones and those items identified by West Side Summit). Materials (defined as those items purchased for reissue, reuse, resale such as hardware or maintenance parts) and supplies (defined as items purchased and used immediately or within a reasonable period of time after they have been acquired) will not be included in the physical inventory

Steps used to safeguard equipment purchased over \$5,000 and sensitive items:

1. Student specific equipment will be distributed to students at the start of the school day and collected by special education staff, locked and stored within the special education area.
2. Sensitive Items are placed in a locked cabinet



3. Staff report Special Education equipment that meet West Side Summit thresholds that is lost, damaged or stolen to the school's Executive Director.
4. All testing assessments, protocols, manuals, etc. are maintained in a locked file cabinet.
5. All other curriculum, supplies and equipment are monitored on a regular basis.
6. School will complete an investigation in the case of theft or vandalized equipment.
7. School will contact the appropriate authorities including law enforcement authorities in the case of vandalism or theft.
8. School's established control system ensures adequate safeguards to prevent loss, damage, or theft of property.
9. Adequate maintenance procedures of 6 month and annual physical review to keep property in good condition.
10. Proper sales procedures for equipment that is no longer used are established for highest possible return including but not limited to price checking and advertisement.

Supporting Documentation: Equipment Tracking Form

Physical Inventory

§ 200.327 Financial reporting. Unless otherwise approved by OMB, the Federal-awarding agency may solicit only the standard, OMB-approved government wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB Web site). This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting.

West Side Summit will assure the following documentation is in place for property valued above \$5,000:

- 1.) Inventory records will include the following information (see inventory form):
 - a.) Required property record information
 - b.) Description of the property
 - c.) A serial number or other identification number
 - d.) The source of funding for the property (including the FAIN)
 - e.) Who holds title
 - f.) The acquisition date and cost of the property



- g.) Percentage of federal participation in the project costs for the federal award under which the property was acquired
 - h.) The location
 - i.) The use and condition of the property
 - j.) And any ultimate disposition data, including the date of the disposal and sale price of the property
- 2.) Physical Inventory is taken and reconciled with property records at least annually with the signature of the Executive Director.

Procedures for Disposition of Equipment in Excess of \$5,000

1. West Side Summit will establish a Uniform Finance Accounting and Reporting Standards (UFARS) unique Course Code for the purpose of tracking the receipts and expenditures of the sale of a piece of equipment that was federally funded.
2. West Side Summit will notify the Division of Program Finance at the Minnesota Department of Education in writing of the sale. The notice will include a description of the equipment, date of sale, proceeds of the sale, and the unique Course Code established by the district that will designate use of these funds.
3. West Side Summit will receipt the funds from the sale of the equipment with the appropriate UFARS Source Code and established Course Code.
4. West Side Summit will use a general journal entry to transfer \$850 or ten percent of the proceeds (whichever is less) for the district's selling and handling expenses.
5. The remaining funds from the sale of the equipment will only be used for the purpose of the delivery of special education and related services and will be accounted for using UFARS program code 400, Course Code as established with the appropriate expenditure UFARS Object Code.
6. West Side Summit will expend the funds from the sale of the equipment in the current fiscal year.
7. West Side Summit is aware that these expenditures will not be included in the calculation of the Maintenance of Effort requirement of the Individuals with Disabilities Act (IDEA).
8. West Side Summit will submit an Activity Report to the Division of Program Finance at the Minnesota Department of Education at the end of the fiscal year to document expenses.

Procedures for Disposition of Equipment less than \$5,000

1. If the current per-unit fair market value is less than \$5,000, the equipment will be retained, sold, or otherwise disposed of with no further obligation.



2. A record of the date, reason, and method of disposal will be maintained with the equipment inventory as required under 34CFR 80.32 (e) (1).

Supporting Documentation: Equipment Tracking Form

Banking Procedures

Credit card procedures

West Side Summit will follow the approved steps when school credit card is used:

1. West Side Summit's Executive Director will complete the Purchase Procurement Request form and Rationale Form.
2. Credit Card purchases are approved by the Executive Director.
3. Authorized signers of the card will be limited to Assistant Director and Executive Director.
4. The credit limit for each card will be \$500 per month or a maximum of \$5,000 per year.
5. Receipts for all credit card purchases will be collected for each monthly statement and submitted to the business manager with the credit card statement. If a receipt does not exist for a purchase, the cardholder who purchased the item will be responsible for reimbursing the school for the cost of the item purchased.
6. The school will purchase insurance to cover against employee theft or fraud.
7. If, in any given month, the administration believes the school needs to exceed the credit limit of \$5,000, the board chair will be notified for approval.

Support Documents: Purchase Procedure Request Form, Method Rational Form

Cash Management

West Side Summit's board will authorize all bank accounts and persons permitted to be designated as check signers and permitted to authorize electronic bank transfers. West Side Summit will limit the school's allowable deposits and addresses the specific types of risks to which the school's cash assets are exposed.

Cash Receipts

1. The receptionist opens incoming mail and preps the deposit slip for the bank.
2. Check stubs are retained with back-up materials; if no stub is present; a copy of each check is retained.
3. The Executive Director makes deposits and sends all backup to BerganKDV (deposit slip, deposit cover sheet, and backup copies of checks).



4. All deposit documentation is sent to BerganKDV who completes the reconciliation process.

Accounts Payable

1. All disbursements, including payroll, are made by check.
2. Checks are numbered sequentially; check numbers are verified during check runs. Blank check stock is only available to the BerganKDV staff.
3. Checks are prepared by the Accounts Payable and are independent of giving voucher and invoice approval.
4. The receptionist prepares the Vendor Payment Requests (VPRs).
5. The Executive Director approves the VPR and Invoice. This form, along with the invoice, is then routed to the accounting office (BerganKDV Accounts Payable) in batch for payment once a week.
6. Checks are only made payable to a specific payee and are not written to "Cash" or "Bearer."
7. A record of checks written is retained in a check summary and copies of actual check cut are saved in Skyward.
8. Checks written in an amount of \$15,000 or more require signatures of the board chair, board treasurer and executive director of the school. All signatures are Magnetic Ink Character Recognition (MICR), which are printed on the check during the printing procedure.
9. Check signers are authorized by the School Board when a change in signers has taken place. No authorized check signers have complete responsibility for voucher preparation, approval for payment, check preparation, cash receiving, petty cash, purchasing and receiving, or timekeeping for payroll records. Signing of blank checks is prohibited.
10. Voided checks are stamped with a "Void" stamp and retained.
11. The School Board approves all non-check disbursements, such as wire transfers. If the amount is more than a predetermined amount, the financial institution will call the school district to verify the amount with a designated party.
12. Discounts, freight terms, etc., are checked for accuracy when Payables are entered into computer.
13. Employees processing Payables are independent of those performing purchasing, receiving, inventory and general ledger functions.
14. Access to Accounts Payable functions is limited to those employees who have a logical need for access.

Receiving

1. A copy of all purchase orders is forwarded to the receptionist.



2. The receptionist uses the purchase order and shipping documents to inspect items for condition and proper quantity and any discrepancies are noted on the paperwork and the vendor is contacted as appropriate.
3. The receptionist matches receiving paperwork against invoices for payment.
4. Upon receipt of the item, the receptionist will reconcile the item received with the invoice and/or packing slip; affix a serial number or other identification number to the item; file the invoice and/or packing slip; and deliver the item to special education staff.
5. The receptionist will record and maintain a list of inventory. The inventory is available in the school office.

INVESTMENTS

N/A - West Side Summit currently does not have any investments. If/when West Side Summit secures any investments, this process will be followed.

Investments

1. Authorization for acquisition and disposition of investments is vested with the School Board.

Safekeeping

1. Securities are adequately protected in locked device on site. Only, the TITLE of INDIVIDUAL have access.
2. All securities are held in the name of West Side Summit

Or if no securities then indicate the following:

N/A – No Securities are held by West Side Summit.

Investment Recordkeeping

1. Detailed records are maintained including the following information:
 - a. Date of acquisition, identification, purchase amount or cost
 - b. Physical location of item
 - c. Interest/dividend/income rates and accrual/receipt dates
 - d. Ownership by fund
2. Detail records are periodically reconciled to the general ledger control accounts and to broker/safekeeping statements by the CHARTER INDIVIDUAL. The CHARTER INDIVIDUAL also reviews reconciliations.
3. Investment income is recorded on a timely basis. Investment earnings are credited to the fund “owing” the investment. The CHARTER INDIVIDUAL approves any adjustments of investment accounts.
4. The CHARTER INDIVIDUAL periodically reviews calculations of fair value and investment income for accuracy.
5. Recordkeeping functions for securities and income are performed by employees



without access to physical securities, who cannot authorize security transactions, and do not have duties in the cash area. Access to computerized investment records is limited to those with a logical need for access.

Or if no investments then indicate the following - N/A – No Securities are held by West Side Summit.

Reconciliations

1. Bank accounts are reconciled at the end of each month by the Assistant Manager (BerganKDV), who is independent of the Accounts Payable and Payroll functions.
2. Bank statements are received via web access for all accounts.
3. Reconciliation procedures include the following:
 - a. Comparison of bank statements with receipt journal for amount and date.
 - b. Comparison of bank statements with the disbursement journal for number, date, payee, and amount.
 - c. Review of sequence of check numbers.
4. Checks outstanding for six months are investigated by the Accounts Payable (BerganKDV).
5. Upon completion of the reconciliation process, the Manager (BerganKDV) reviews the prepared reconciliation. All accounting journal entries are reviewed by the School Board on a monthly basis.

Other Accrued Liabilities

1. Detailed subsidiary ledgers for accruals and other liabilities are maintained and reconciled to the general ledger control accounts and are reviewed by the Manager. (BerganKDV)
2. Accruals and other liabilities are periodically reviewed for reasonableness.

Payroll

Personnel, Employment, and Rate Authorizations

1. Requests for new personnel are initiated only by the Executive Director.
2. The Executive Director requires an employment application to be completed by all applicants and conducts an investigation of prospective new hires that includes background and reference checks, and contact with former employers.
3. Classes of positions and corresponding pay rates are approved by the School Board.
4. Personnel files are maintained for each employee. Files in the school office contain applications and reference investigations, information on hire date; original and updated pay rates and positions, earnings records and termination data where



appropriate. A separate file of I-9 forms for all employees is maintained under separate cover.

5. Files in the school office contain W-4 forms; authorizations for payroll deductions, information on pay rates and positions and benefit applications.
6. Written termination forms are required and are completed by the employee and the Executive Director.
7. Files in the school office are only accessible to the receptionist, assistant director and Executive Director.

Payroll Preparation and Timekeeping

1. Employees are responsible for maintaining their own time cards or time sheets and this is separated from payroll preparation.
2. All time cards or time sheets are approved by Executive Director. All approved time sheets are then forwarded to Payroll (BerganKDV).
3. Payroll (BerganKDA) double-checks computation of hours on time cards and time-sheets (including overtime hours). Payroll (BerganKDA) uses time off requests and PTO balance in accounting software to determine paid or unpaid absences. Ex Director approves time off requests submitted by employee. If any alterations on time cards, the payroll check register is sent to the Executive Associate with notations for review.
4. Paychecks are numbered sequentially.
5. The starting check number is verified before checks are printed. Checks are MICR-signed by the printer with the Administrator's signature, the board chair's signature and the board treasurer's signature.
6. Detail reports are available, rather than check stock, for employees on the Employee Portal utilizing direct deposit of their net check.
7. Blank check stock is only accessible to BerganKDV staff.
8. Checks are drawn on the general checking account.
9. Check stubs and direct deposit reports contain detailed information on gross pay, withholdings, and deductions.
10. All pay rates are entered by Payroll (BerganKDV) into an appropriate distribution account and these are monitored by Manager and Assistant Manager (BerganKDV).
11. Voided or spoiled checks are marked "Void " and maintained in a file.
12. The Payroll (BerganKDV) reconciles gross and net pay amounts on tax returns to payroll registers, quarterly and annually.
13. After payroll is processed, the Payroll (BerganKDV) places them in envelopes along with any documentation going to the employees. They are mailed directly to employee homes.



14. Access to payroll records and materials is limited to those with a need for such access.
15. Any identified adjustments will be resolved by Payroll (BerganKDV).

Year-end Preparation of W-2's

1. The Accounting Office/BKDA prepares W-2s.
2. The total of W-2 wages, including taxable fringe benefits, is reconciled to the general ledger and payroll register before W-2 information is printed or transmitted.

Payroll Withholdings

1. Procedures are in place to ensure that payroll taxes are paid when due (semi-monthly) and that payroll returns are filed as required.
2. Procedures are in place to ensure that other withholdings, such as direct deposits, cafeteria plan deductions, etc., are remitted in a timely manner, mostly on a semi-monthly basis.
3. Payroll completes on a monthly basis a benefits and payroll tax reconciliation to ensure reasonableness and completeness. The Manager reviews these items quarterly as part of the financial statement process and reconciles at year end.