



Amethod Public Schools

Fiscal Oversight Committee Meeting

Published on March 16, 2026 at 4:59 PM PDT

Date and Time

Thursday March 19, 2026 at 5:00 PM PDT

Location

1450 Marina Way South, Richmond, CA 94804

The Fiscal Oversight Committee and employees of Amethod Public Schools will be holding this meeting in person at 1450 Marina Way South, Richmond, CA 94804.

Members of the public who wish to attend in person can join us in the **Home Office's Board Room at 1450 Marina Way South, Richmond, CA 94804**. Or members of the public may meet via the Zoom meeting platform at:

<https://us02web.zoom.us/j/83187954557>

Participating by Telephone: 669-900-9128 Meeting ID: 831 8795 4557

Public Comment: Members of the public attending in person who wish to comment on an agenda item please fill out a speaker card and submit it to a staff member. Members of the public who are joining via teleconference, please use raise hand tool in the reactions tab located at the bottom of the zoom screen or press star (*) nine if joining by telephone. The Committee Chair will call on you. Please note that comments are limited to two minutes. The Committee Chair may increase or decrease the time allowed for public comment, depending upon the topic and number of persons wishing to be heard.

Access to Board Materials: A copy of the written materials which have been submitted to the Fiscal Oversight Committee with the agenda relating to open session items may be reviewed by any interested persons on the Amethod Public School's website at www.amethodschools.org following the posting of the agenda. Amethod may

distribute additional information and/or documents to the Fiscal Oversight Committee after the agenda is posted and at the meeting; these items and the full Board packet are available for inspection in the AMPS Board Room (located at [1450 Marina Way S, Richmond, CA 94804](https://www.cityofrichmond.org/1450-Marina-Way-S-Richmond-CA-94804)) and during the meeting. Any documents distributed to the Fiscal Oversight Committee during the meeting will be posted on the website Agenda following the meeting.

Disability Access: Requests for disability-related modifications or accommodations to participate in this public meeting should be made 72 hours prior to the meeting by calling (510) 436-0172. All efforts will be made for reasonable accommodations. The agenda and public documents can be modified upon request as required by Section 202 of the Americans with Disabilities Act.

ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Agenda

	Purpose	Presenter	Time
I. Opening Items			5:00 PM
A. Record Attendance		Sally Li	1 m
B. Call the Meeting to Order		Davis Leung	1 m
C. Public Comment		Davis Leung	2 m
II. Consent			5:04 PM
A. Approval of 02/26/2026 Fiscal Oversight Committee Meeting Minutes	Approve Minutes	Davis Leung	1 m
III. Committee Business: Discussion Items			5:05 PM
A. Current Financial Position Overview	Discuss	Adrienne Barnes	15 m
	<ul style="list-style-type: none"> • Budget-to-actual review • Cash flow and reserves update • Key reporting deadlines • Audit or authorizer requirements • Risk flags or areas needing board attention 		

	Purpose	Presenter	Time
B. Review of Updated 2nd Interim Budget for Downtown Charter Academy Public comment	Discuss	Adrienne Barnes	5 m
C. Review of Updated 2nd Interim Budget for John Henry High School Public comment	Discuss	Adrienne Barnes	5 m
D. Review of Amended Fiscal Policies & Procedures Public comment	Discuss	Adrienne Barnes	10 m
E. Strategic Financial Items/Committee Goals <ul style="list-style-type: none"> • Staffing or operational financial impacts • Major contracts or expenditures requiring recommendation • Forecast considerations or scenario planning 	Discuss	Davis Leung	10 m
F. Recommendations to Full Board <ul style="list-style-type: none"> • Decisions or recommendations to elevate • Clear summary of committee recommendations • Assignments and ownership • Confirm next meeting date and preparation items 	Discuss	Davis Leung	10 m
IV. Closing Items			6:00 PM
A. Adjourn Meeting	FYI	Davis Leung	1 m

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Coversheet

Approval of 02/26/2026 Fiscal Oversight Committee Meeting Minutes

Section: II. Consent
Item: A. Approval of 02/26/2026 Fiscal Oversight Committee Meeting Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Fiscal Oversight Committee Meeting on February 26, 2026

APPROVED



Amethod Public Schools

Minutes

Fiscal Oversight Committee Meeting

Date and Time

Thursday February 26, 2026 at 5:00 PM

Location

1450 Marina Way South, Richmond, CA 94804

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ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Committee Members Present

D. Leung, L. Martinez, M. Arechiga

Committee Members Absent

None

Guests Present

A. Barnes, Malka Borrego (remote), S. Li

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

D. Leung called a meeting of the Fiscal Oversight Committee of Amethod Public Schools to order on Thursday Feb 26, 2026 at 5:10 PM.

C. Public Comment

No public comments.

II. Committee Business: Discussion Items

A. Committee Purpose

Committee Chair Davis states the purpose of the committee is to discuss, manage, and assist with all items finance related, except for the audit. He proposed to establish a meeting calendar to ensure consistent financial management. He noted that this schedule must be aligned with the third-party finance provider's release of month-end close packets.

Adrienne, CEO said the release is typically on the 10th of the month and recommends the committee to have meetings on the 15th of the month or after.

Committee member Liz said that more established finance committees typically meet quarterly. She proposed to meet monthly to build a consistent rhythm and reduce the frequency once the group is stable. To maintain operational efficiency, she suggested scheduling these sessions immediately before the full board meetings, provided there is sufficient notice for preparation.

Malka, Governance Coach shared that Rodolfo's recommendation was for the committee to meet monthly. She supported this from a governance lens, noting that as the organization is in a renewal phase, monthly reviews help demonstrate stability and allow the committee to establish a comfortable rhythm before potentially moving to a quarterly schedule. She cautioned against holding the committee meeting immediately before the full board meeting. She noted that if committee members have questions or need more insight, a back to back schedule doesn't allow enough time to prepare thoughts or recommendations for the board.

Committee Chair Davis proposed scheduling the remaining Fiscal Oversight Committee meetings for the current fiscal year to occur one hour before the full board meetings, while later moving them earlier for future interim reports if necessary.

B. Review of 2nd Interim Reports

Adrienne, CEO reported that school budgets were adjusted for enrollment reductions at RCA, OCA, and John Henry, though overall attendance remained steady at 93%. She noted that while salary savings were offset by increased substitute costs and significant special education expenses, the organization maintained a strong fund balance and healthy reserves. Specifically for BJE, a \$150,000 revenue dip was balanced by a similar reduction in expenses, allowing the site to maintain its projected surplus.

Committee member Liz requested clarification regarding a recurring fiscal pattern where certain budget lines, such as federal child nutrition, showed a significant dip in the second interim before being forecasted to return to higher levels.

Adrienne explained that the budget fluctuations reflected adjustments to actual year to date figures and noted that she was not concerned with specific dollar projections as long as the nutrition programs remained on track to break even or better.

Committee member Liz questioned how an offset between teacher salaries and substitute expenses could exist when both line items remained virtually unchanged between the first and second interim reports for BJE. She pointed out a discrepancy in the projected state

COLA for the 2027-2028 forecast, noting that the rate for BJE and one other site was set at 3.06% while most other schools were calculated at 3.42%.

Adrienne noted it may be a typo in the budget but the LCFF calculations are correct across all school sites. She reported that DCA maintained strong enrollment and attendance despite a \$50,000 revenue decrease, which was partially offset by a \$25,000 reduction in expenses. She noted that the site remains financially stable with a surplus and healthy reserves, even with budget in place to fund upcoming facilities and personnel expansion. Adrienne shared that OCA's projected deficit increased to \$292,000 primarily due to a \$232,000 revenue adjustment from the previous year and a decline in attendance, which was slightly mitigated by minor expense reductions.

Committee Chair Davis asked if future budget forecasts for the 2026-2028 fiscal years will be prepared both with and without OCA's figures to account for the school's potential closure while maintaining the necessary data in the rollup.

Adrienne confirmed that OCA is intended to be self closing as a benchmark for the DCA material revision. She shared RCA has maintained steady revenue and met county reserve requirements despite a slightly increased deficit of \$16,000. Adrienne reported that John Henry High School has successfully increased enrollment and revenue since the first interim, leading to a significantly reduced deficit. While the school is still projected to end the year with a loss, it maintains a strong fund balance and continues to meet all reserve requirements.

C. Current Financial Position Overview

Adrienne, CEO reported that the organization maintains a strong financial position with \$13 million in cash, representing approximately four to five months of reserves. She also highlighted that the 24-25 audit was the first in three years to be completely clean with no material weaknesses, leading to a recommendation to continue with the current auditor.

Committee member Liz asked of the \$13 million in cash, how much of it is restricted versus unrestricted.

Committee Chair Davis asked if AMPS will expect to spend some of the money on facilities adjustments for DCA's expansion next year.

Adrienne said some of the money will be used for facilities adjustments for DCA and does not anticipate spending a large sum.

D. Strategic Financial Items/Committee Goals

Adrienne, CEO explained that due to unsuccessful recruiting for a Senior Director of Finance, AMPS recommended restoring Charter Impact to full service at an increased rate of \$28,000 per month while searching for a lower level in house business manager. She also presented updated fiscal policies that include raising senior director signing thresholds to \$10,000 and proposed a new HR services contract with Vertex Education.

Committee Chair Davis asked whether operational efficiency could be improved by grouping all finance related action items together so the committee could recommend them for approval as a single block to the full board.

Malka, Governance Coach advised that the committee should distinguish between governance-level oversight and operational management, suggesting that clarifying the committee's specific goals and desired outcomes will help define what items should be brought forward by the board versus the staff.

E. Recommendations to Full Board

Committee Chair Davis shared the Fiscal Oversight Committee will recommend the 2nd Interim Reports to the full board for approval. Other financial related items such as Amplify Quotes, Vertex Education Contract, and Amended Fiscal Policies will be deferred to the full board later that evening as they were not reviewed during the committee meeting.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:53 PM.

Respectfully Submitted,
D. Leung

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Coversheet

Review of Updated 2nd Interim Budget for Downtown Charter Academy

Section: III. Committee Business: Discussion Items
Item: B. Review of Updated 2nd Interim Budget for Downtown Charter Academy
Purpose: Discuss
Submitted by:
Related Material: DCA-Second Interim Budget-3.13.2026_2.pdf

FY25-26 DCA

Multi-Year Forecast

Revised 3/13/2026

	2025-26 Preliminary Budget	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Forecast	2027-28 Forecast
<i>Enrollment</i>	320.00	320.00	\$318.00	448.00	420.00
<i>Average Daily Attendance</i>	304.00	304.00	\$302.10	425.60	399.00

Revenues

State Aid - Revenue Limit

8011 LCFF State Aid	\$3,007,187	\$2,972,354	\$2,932,093.00	\$4,248,165	\$ 4,143,247
8012 Education Protection Account	\$60,800	\$60,800	\$60,420.00	\$85,120	79,800
8019 State Aid - Prior Year		-\$14,360	-\$14,360.00	\$0	-
8096 In Lieu of Property Taxes	\$1,186,575	\$1,194,805	\$1,187,337.00	\$1,672,727	1,568,181
	<u>\$4,254,562</u>	<u>\$4,213,599</u>	<u>\$4,165,490.00</u>	<u>\$6,006,012</u>	<u>5,791,228</u>

Federal Revenue

8181 Special Education - Entitlement	\$36,260	\$44,225	\$44,225.00	\$46,110	59,861
8182 Special Education - Discretionary					-
8220 Federal Child Nutrition	\$100,511	\$100,511	\$80,511.43	\$140,716	131,921
8290 Title I, Part A - Basic Low Income	\$84,577	\$84,577	\$100,693.00	\$84,577	84,577
8291 Title II, Part A - Teacher Quality	\$8,659	\$8,659	\$12,507.00	\$8,659	8,659
8293 Title III - Limited English				\$0	-
8294 Title V, Part B - PCSG				\$0	-
8295 Charter Facility Incentive Grant				\$0	-
8296 Other Federal Revenue	\$10,000	\$10,000	\$10,000.00	\$10,000	10,000
8299 Prior Year Federal Revenue			\$9,858.00	\$0	-
	<u>\$240,007</u>	<u>\$247,972</u>	<u>\$257,794.43</u>	<u>\$290,062</u>	<u>295,018</u>

Other State Revenue

8311 State Special Education	\$276,783	\$276,783	\$264,383.00	\$399,198	355,112
8520 Child Nutrition	\$9,514	\$9,514	\$29,513.67	\$13,721	13,174
8545 School Facilities (SB740)	\$413,083	\$413,083	\$414,673.73	\$595,781	555,238
8550 Mandated Cost	\$6,126	\$6,238	\$6,238.08	\$6,426	6,581
8560 State Lottery	\$82,992	\$78,880	\$78,880.02	\$80,701	75,657
8598 Prior Year Revenue	\$0		-\$23,766.54	\$0	-
8599 Other State Revenue	\$461,590	\$436,915	\$436,915.00	\$436,915	409,608
	<u>\$1,250,087</u>	<u>\$1,221,412</u>	<u>\$1,206,836.90</u>	<u>\$1,532,743</u>	<u>1,415,369</u>

Other Local Revenue

8634 Food Service Sales				\$0	-
8650 Lease and Rental Income				\$0	-
8660 Interest Revenue				\$0	-
8689 Other Fees and Contracts			\$237.37	\$0	-
8690 Other Local Revenue	\$97,430	\$104,649	\$104,649.00	\$104,649	104,649
8698 ASB Fundraising				\$0	-
8699 School Fundraising				\$0	-
	<u>\$97,430</u>	<u>\$104,649</u>	<u>\$104,886.37</u>	<u>\$104,649</u>	<u>104,649</u>

Total Revenue

	<u>\$5,842,087</u>	<u>\$5,787,633</u>	<u>\$5,735,007.70</u>	<u>\$7,933,466</u>	<u>\$ 7,606,264</u>
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Expenses

FY25-26 DCA

Multi-Year Forecast

Revised 3/13/2026

	2025-26 Preliminary Budget	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Forecast	2027-28 Forecast
Certificated Salaries					
1100 Teachers' Salaries	\$1,172,748	\$957,957	\$957,956.65	\$1,655,431	1,655,431
1170 Teachers' Substitute Hours	\$0	\$0		\$0	-
1175 Teachers' Extra Duty/Stipends	\$12,500	\$12,500	\$15,000.00	\$100,000	15,000
1200 Pupil Support Salaries	\$75,790	\$75,790	\$75,790.08	\$117,096	117,096
1300 Administrators' Salaries	\$395,478	\$395,478	\$395,477.73	\$517,342	517,342
1900 Other Certificated Salaries	\$0	\$0		\$0	-
	<u>\$1,656,515</u>	<u>\$1,441,724</u>	<u>\$1,444,224.4€</u>	<u>\$2,389,868</u>	<u>2,304,868</u>
Classified Salaries					
2100 Instructional Salaries	\$534,569	\$499,841	\$499,841.27	\$724,848	724,848
2200 Support Salaries	\$51,180	\$51,180	\$51,179.52	\$128,315	128,315
2300 Classified Administrators' Salaries				\$0	-
2400 Clerical and Office Staff Salaries	\$153,330	\$153,330	\$153,329.66	\$176,866	176,866
2900 Other Classified Salaries				\$0	-
	<u>\$739,078</u>	<u>\$704,350</u>	<u>\$704,350.45</u>	<u>\$1,030,029</u>	<u>1,030,029</u>
Benefits					
3101 STRS	\$0	\$0		\$0	-
3202 PERS	\$0	\$0		\$0	-
3301 OASDI	\$148,527	\$148,527	\$148,526.82	\$212,034	212,034
3311 Medicare	\$34,736	\$34,736	\$34,736.11	\$49,589	49,589
3401 Health and Welfare	\$257,400	\$227,400	\$227,400.00	\$345,462	352,371
3501 State Unemployment	\$18,130	\$18,130	\$18,130.00	\$24,010	24,010
3601 Workers' Compensation	\$33,538	\$33,538	\$33,538.31	\$47,879	47,879
3901 Other Benefits	\$11,978	\$11,978	\$11,977.97	\$17,099	17,099
	<u>\$504,310</u>	<u>\$474,309</u>	<u>\$474,309.22</u>	<u>\$696,072</u>	<u>702,981</u>
Books and Supplies					
4100 Textbooks and Core Curricula	\$50,000	\$68,000	\$68,000.00	\$100,000	96,338
4200 Books and Other Materials	\$1,500	\$1,500	\$1,500.00	\$1,500	1,500
4302 School Supplies	\$25,500	\$25,500	\$20,000.00	\$40,000	38,535
4303 Technology Supplies	\$500	\$2,500	\$2,500.00	\$500	500
4304 Non-Instructional Supplies	\$1,000	\$1,000	\$2,500.00	\$1,438	1,385
4305 Software	\$15,300	\$15,300	\$15,300.00	\$21,998	21,193
4310 Office Expense	\$15,000	\$15,000	\$15,000.00	\$21,567	20,777
4311 Business Meals	\$5,000	\$5,000	\$5,000.00	\$7,189	6,926
4312 School Fundraising	\$0			\$0	-
4315 Custodial Supplies	\$10,200	\$10,200	\$10,200.00	\$12,000	12,331
4320 Educational Software	\$15,000	\$5,082	\$11,125.65	\$10,000	10,276
4326 Art & Music Supplies	\$5,000	\$5,000	\$5,000.00	\$7,500	7,707
4327 MS/HS Sports Supplies	\$0	\$214	\$214.00	\$0	-
4328 Student Activity Supplies & Material:	\$2,000	\$3,000	\$5,000.00	\$5,000	5,138
4335 PE Supplies	\$400	\$918	\$918.00	\$1,500	1,541
4350 Uniforms	\$0	\$11,414	\$11,414.00	\$25,000	25,690
4400 Noncapitalized Equipment	\$5,000	\$2,500	\$2,000.00	\$5,000	5,000

FY25-26 DCA

Multi-Year Forecast

Revised 3/13/2026

	2025-26	2025-26	2025-26	2026-27	2027-28
	Preliminary Budget	First Interim Budget	Second Interim Budget	Forecast	Forecast
4420 Noncapitalized Computer Equipment	\$10,000	\$10,000	\$10,000.00	\$30,000	25,000
4421 Noncapitalized Classroom Furniture,	\$25,000	\$5,000	\$5,000.00	\$25,000	5,000
4700 Food Services	\$110,025	\$110,025	\$110,025.10	\$158,194	152,400
4720 Other Food	\$1,500	\$7,500	\$5,000.00	\$7,500	7,225
	<u>\$297,925</u>	<u>\$304,653</u>	<u>\$305,696.75</u>	<u>\$480,886</u>	<u>444,462</u>
Subagreement Services					
5101 Nursing	\$0	\$0		\$0	-
5102 Special Education	\$101,800	\$200,000	\$200,000.00	\$100,000	100,000
5103 Substitute Teacher	\$25,000	\$239,971	\$239,971.00	\$25,000	25,000
5104 Transportation	\$5,000	\$10,000	\$10,000.00	\$7,189	6,926
5105 Security	\$15,000	\$12,500	\$10,000.00	\$15,405	15,830
5106 Other Educational Consultants	\$29,700	\$15,000	\$15,000.00	\$30,502	25,000
	<u>\$176,500</u>	<u>\$477,471</u>	<u>\$474,971.00</u>	<u>\$178,096</u>	<u>172,756</u>
Operations and Housekeeping					
5201 Auto and Travel	\$3,100	\$3,000	\$10,000.00	\$4,457	4,294
5300 Dues & Memberships	\$9,100	\$20,000	\$20,000.00	\$13,084	12,605
5400 Insurance	\$91,600	\$50,000	\$64,297.00	\$131,702	126,879
5501 Utilities	\$115,000	\$140,000	\$140,000.00	\$165,347	159,291
5502 Janitorial/Trash Removal	\$81,500	\$81,500	\$81,500.00	\$117,181	112,889
5531 ASB Expenses	\$0			\$0	-
5540 Public Donations	\$0			\$0	-
5550 Pledge Write Off	\$0			\$0	-
5900 Communications	\$15,000	\$15,000	\$15,000.00	\$21,567	20,777
5901 Postage and Shipping	\$1,000	\$1,500	\$1,500.00	\$1,438	1,385
	<u>\$316,300</u>	<u>\$311,000</u>	<u>\$332,297.00</u>	<u>\$454,776</u>	<u>438,120</u>
Facilities, Repairs and Other Leases					
5601 Rent	\$916,180	\$916,180	\$916,179.85	\$943,665	971,975
5602 Additional Rent	\$0			\$0	-
5603 Equipment Leases	\$20,000	\$20,000	\$20,000.00	\$25,000	25,000
5604 Other Leases	\$0			\$0	-
5605 Real/Personal Property Taxes	\$25,000	\$0	\$0.00	\$10,000	10,000
5610 Repairs and Maintenance	\$100,000	\$20,000	\$10,000.00	\$100,000	25,000
5615 Repairs and Maintenance - Building	\$50,000	\$50,000	\$50,000.00	\$50,000	50,000
5616 Repairs and Maintenance - Compute	\$2,500	\$2,500	\$2,500.00	\$2,500	2,500
5618 Repairs and Maintenance - Auto	\$0	\$495	\$495.00	\$0	-
5625 Storage	\$0			\$0	-
	<u>\$1,113,680</u>	<u>\$1,009,175</u>	<u>\$999,174.85</u>	<u>\$1,131,165</u>	<u>1,084,475</u>
Professional/Consulting Services					
5801 IT	\$20,000	\$15,000	\$15,000.00	\$20,000	19,268
5802 Audit & Taxes	\$20,000	\$18,000	\$18,000.00	\$20,540	21,107
5803 Legal	\$5,000	\$20,000	\$10,000.00	\$25,135	5,829
5804 Professional Development	\$35,000	\$35,000	\$35,000.00	\$50,323	48,480
5805 General Consulting	\$47,600	\$40,000	\$30,000.00	\$68,439	50,000

FY25-26 DCA

Multi-Year Forecast

Revised 3/13/2026

	2025-26 Preliminary Budget	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Forecast	2027-28 Forecast
5806 Special Activities	\$50,000	\$25,000	\$25,000.00	\$50,000	48,169
5807 Bank Charges	\$1,000	\$500	\$50.00	\$1,438	1,385
5808 Printing	\$800	\$800	\$800.00	\$1,150	1,108
5809 Other taxes and fees	\$16,900	\$2,500	\$2,500.00	\$2,500	2,408
5810 Payroll Service Fee	\$10,000	\$10,000	\$10,000.00	\$14,378	13,851
5811 Management Fee	\$583,448	\$578,763	\$573,500.78	\$793,347	760,626
5812 District Oversight Fee	\$42,546	\$42,280	\$41,798.50	\$60,060	57,912
5813 Business Services	\$70,200	\$70,200	\$70,200.27	\$100,934	97,237
5814 SPED Encroachment	\$3,054	\$3,054	\$5,669.00	\$4,453	4,150
5815 Public Relations	\$7,100	\$0	\$0.00	\$0	-
5816 Legal Settlement	\$15,059	\$14,662	\$0.00	\$0	-
5820 Scholarship Expense	\$0			\$0	-
5830 Field Trips	\$15,000	\$15,000	\$15,000.00	\$21,567	20,777
5836 Fingerprinting	\$1,000	\$500	\$500.00	\$2,000	1,927
5839 Fundraising Fees	\$0			\$0	-
5851 Marketing and Student Recruiting	\$14,900	\$20,000	\$20,000.00	\$21,423	20,639
5873 Sports Contractors	\$0			\$0	-
5874 Sports	\$0			\$0	-
5875 Staff Recruiting	\$7,500	\$7,500	\$7,500.00	\$7,500	7,500
5877 Student Activities	\$65,000	\$100,000	\$100,000.00	\$140,000	134,873
5878 Student Assessment	\$0	\$7,500	\$7,000.00	\$7,500	7,225
	<u>\$1,031,107</u>	<u>\$1,026,259</u>	<u>\$987,518.55</u>	<u>\$1,412,687</u>	<u>1,324,471</u>
Depreciation					
6900 Depreciation Expense	\$2,183	\$2,183	\$2,183.00	\$102,183	102,183
	<u>\$2,183</u>	<u>\$2,183</u>	<u>\$2,183.00</u>	<u>\$102,183</u>	<u>102,183</u>
Interest					
7438 Interest Expense	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>\$ 5,837,600</u>	<u>\$ 5,751,125</u>	<u>\$5,724,725.28</u>	<u>\$ 7,875,764</u>	<u>\$ 7,604,346</u>
Surplus (Deficit)	<u>\$ 4,487</u>	<u>\$ 36,507</u>	<u>\$10,282.47</u>	<u>\$ 57,703</u>	<u>\$ 1,918</u>
Fund Balance, Beginning of Year	\$ 4,888,147	\$ 4,694,749	\$4,694,748.88	\$ 4,731,256	\$ 4,788,959
Fund Balance, End of Year	<u>\$ 4,892,634</u>	<u>\$ 4,731,256</u>	<u>\$4,705,031.36</u>	<u>\$ 4,788,959</u>	<u>\$ 4,790,877</u>
	83.8%	82.3%	\$0.82	60.8%	63.0%

Coversheet

Review of Updated 2nd Interim Budget for John Henry High School

Section: III. Committee Business: Discussion Items
Item: C. Review of Updated 2nd Interim Budget for John Henry High School
Purpose: Discuss
Submitted by:
Related Material: JHHS-Second Interim Budget-3.13.2026_3.pdf

FY25-26 JHHS

Multi-Year Forecast

Revised 3/13/2026

	2025-26 Preliminary Budget	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Forecast	2027-28 Forecast
<i>Enrollment</i>	340.00	332.00	338.00	340.00	340.00
<i>Average Daily Attendance</i>	316.20	308.76	310.96	316.20	316.20

Revenues

State Aid - Revenue Limit

8011 LCFF State Aid	\$ 5,097,399	\$ 4,978,307	\$ 5,017,662	\$ 5,232,574	\$ 5,386,713
8012 Education Protection Account	63,240	\$ 61,752	62,192	63,240	63,240
8019 State Aid - Prior Year	-	-	-	-	-
8096 In Lieu of Property Taxes	-	-	-	-	-
	<u>5,160,639</u>	<u>5,040,059</u>	<u>5,079,854</u>	<u>5,295,814</u>	<u>5,449,953</u>

Federal Revenue

8181 Special Education - Entitlement	39,900	\$ 46,836	48,285	40,022	40,022
8182 Special Education - Discretionary	-	-	-	-	-
8220 Federal Child Nutrition	115,913	\$ 115,913	75,913	115,913	115,913
8290 Title I, Part A - Basic Low Income	96,304	\$ 96,304	123,886	96,304	96,304
8291 Title II, Part A - Teacher Quality	11,966	\$ 11,966	14,425	11,966	11,966
8293 Title III - Limited English	-	-	-	-	-
8294 Title V, Part B - PCSG	-	-	-	-	-
8295 Charter Facility Incentive Grant	-	-	-	-	-
8296 Other Federal Revenue	10,000	\$ 10,000	10,000	10,000	10,000
8299 Prior Year Federal Revenue	-	-	-	-	-
	<u>274,083</u>	<u>281,019</u>	<u>272,509</u>	<u>274,204</u>	<u>274,204</u>

Other State Revenue

8311 State Special Education	279,967	\$ 274,798	298,704	288,422	298,286
8520 Child Nutrition	10,971	\$ 10,971	50,971	11,303	11,689
8545 School Facilities (SB740)	429,660	\$ 419,551	435,202	442,636	444,355
8550 Mandated Cost	18,003	\$ 18,350	18,350	18,516	19,610
8560 State Lottery	86,323	\$ 83,983	84,581	86,323	86,323
8598 Prior Year Revenue	-	-	-	-	-
8599 Other State Revenue	72,448	\$ 26,046	26,046	72,448	72,448
	<u>897,373</u>	<u>833,699</u>	<u>913,855</u>	<u>919,647</u>	<u>932,711</u>

Other Local Revenue

8634 Food Service Sales	-	-	-	-	-
8650 Lease and Rental Income	-	-	-	-	-
8660 Interest Revenue	-	-	-	-	-
8689 Other Fees and Contracts	-	-	-	-	-
8690 Other Local Revenue	78,937	\$ 87,827	101,752	87,827	87,827
8698 ASB Fundraising	-	-	-	-	-
8699 School Fundraising	-	-	-	-	-
	<u>78,937</u>	<u>87,827</u>	<u>101,752</u>	<u>87,827</u>	<u>87,827</u>

FY25-26 JHHS

Multi-Year Forecast

Revised 3/13/2026

	2025-26 Preliminary Budget	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Forecast	2027-28 Forecast
Total Revenue	\$ 6,411,032	\$ 6,242,604	\$ 6,367,970	\$ 6,577,492	\$ 6,744,695
Expenses					
Certificated Salaries					
1100 Teachers' Salaries	1,421,544	1,138,102	1,138,102	1,449,975	1,478,975
1170 Teachers' Substitute Hours	-	-	-	-	-
1175 Teachers' Extra Duty/Stipends	12,500	12,500	20,000	12,500	12,500
1200 Pupil Support Salaries	75,790	75,790	75,790	77,306	78,852
1300 Administrators' Salaries	340,721	340,721	340,721	347,535	354,486
1900 Other Certificated Salaries	-	-	-	-	-
	<u>1,850,555</u>	<u>1,567,113</u>	<u>1,574,613</u>	<u>1,887,316</u>	<u>1,924,813</u>
Classified Salaries					
2100 Instructional Salaries	252,352	189,264	189,264	257,399	262,547
2200 Support Salaries	234,868	234,868	234,868	239,565	244,357
2300 Classified Administrators' Salaries	-	-	-	-	-
2400 Clerical and Office Staff Salaries	157,967	157,967	157,967	161,126	164,349
2900 Other Classified Salaries	-	-	-	-	-
	<u>645,187</u>	<u>582,099</u>	<u>582,099</u>	<u>658,090</u>	<u>671,252</u>
Benefits					
3101 STRS	-	-	-	-	-
3202 PERS	-	-	-	-	-
3301 OASDI	154,736	154,736	154,736	157,815	160,956
3311 Medicare	36,188	36,188	36,188	36,908	37,643
3401 Health and Welfare	257,400	218,400	218,400	262,548	267,799
3501 State Unemployment	17,150	17,150	20,000	17,150	17,150
3601 Workers' Compensation	34,940	34,940	34,940	35,636	36,345
3901 Other Benefits	7,487	7,487	5,000	7,636	7,788
	<u>507,902</u>	<u>468,902</u>	<u>469,265</u>	<u>517,694</u>	<u>527,681</u>
Books and Supplies					
4100 Textbooks and Core Curricula	250,000	75,000	80,000	100,000	100,000
4200 Books and Other Materials	10,000	1,000	1,000	1,500	1,541
4302 School Supplies	20,000	10,000	10,000	10,270	10,270
4303 Technology Supplies	-	2,500	2,500	2,568	2,638
4304 Non-Instructional Supplies	900	1,200	1,200	1,232	1,266
4305 Software	59,200	52,878	25,000	54,306	55,805
4310 Office Expense	15,000	15,000	15,000	15,405	15,405
4311 Business Meals	2,500	2,500	2,500	2,500	2,500
4312 School Fundraising	-	-	-	-	-

FY25-26 JHHS

Multi-Year Forecast

Revised 3/13/2026

	2025-26	2025-26	2025-26	2026-27	2027-28
	Preliminary Budget	First Interim Budget	Second Interim Budget	Forecast	Forecast
4315 Custodial Supplies	10,000	10,000	10,000	10,270	10,553
4320 Educational Software	15,100	17,500	17,500	17,973	18,469
4326 Art & Music Supplies	100	100	100	103	106
4327 MS/HS Sports Supplies	-	1,500	2,000	1,541	1,583
4328 Student Activity Supplies & Materials	-	350	350	359	369
4335 PE Supplies	300	1,500	1,500	1,500	1,500
4350 Uniforms	10,000	14,474	14,474	14,865	14,865
4400 Noncapitalized Equipment	5,000			-	-
4420 Noncapitalized Computer Equipment	20,000	20,000	16,000	20,000	20,000
4421 Noncapitalized Classroom Furniture, E	25,000	-	-	5,000	5,000
4700 Food Services	126,884	126,884	126,884	130,310	133,907
4720 Other Food	400	5,000	5,000	5,000	5,138
	<u>570,384</u>	<u>357,387</u>	<u>331,008</u>	<u>394,701</u>	<u>400,915</u>
Subagreement Services					
5101 Nursing	-	-	-	-	-
5102 Special Education	100,300	325,000	325,000	103,008	105,851
5103 Substitute Teacher	25,000	410,530	410,530	25,000	25,000
5104 Transportation	20,000	15,000	15,000	20,000	20,000
5105 Security	10,000	10,000	15,000	10,000	10,000
5106 Other Educational Consultants	10,000	5,000	5,000	10,000	10,000
	<u>165,300</u>	<u>765,530</u>	<u>770,530</u>	<u>168,008</u>	<u>170,851</u>
Operations and Housekeeping					
5201 Auto and Travel	5,000	3,500	3,500	3,595	3,694
5300 Dues & Memberships	8,800	40,000	40,000	40,000	41,104
5400 Insurance	37,000	112,874	112,874	115,922	119,121
5501 Utilities	200,000	200,000	200,000	205,400	211,069
5502 Janitorial/Trash Removal	70,300	75,000	80,000	75,000	75,000
5531 ASB Expenses	-	-	-	-	-
5540 Public Donations	-	-	-	-	-
5550 Pledge Write Off	-	-	-	-	-
5900 Communications	15,000	15,000	15,000	15,405	15,830
5901 Postage and Shipping	1,000	1,000	1,000	1,027	1,055
	<u>337,100</u>	<u>447,374</u>	<u>452,374</u>	<u>456,348</u>	<u>466,873</u>
Facilities, Repairs and Other Leases					
5601 Rent	971,631	971,631	971,631	1,000,780	1,030,804
5602 Additional Rent	-	-	-	-	-
5603 Equipment Leases	20,000	20,000	20,000	20,540	21,107
5604 Other Leases	-	-	-	-	-
5605 Real/Personal Property Taxes	10,000	76,538	76,538	76,538	76,538

FY25-26 JHHS

Multi-Year Forecast

Revised 3/13/2026

	2025-26 Preliminary Budget	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Forecast	2027-28 Forecast
5610 Repairs and Maintenance	10,000	10,000	10,000	10,000	10,000
5615 Repairs and Maintenance - Building	60,000	60,000	60,000	50,000	50,000
5616 Repairs and Maintenance - Computers	2,500	1,500	1,500	1,500	1,500
5618 Repairs and Maintenance - Auto	-	-	-	-	-
5625 Storage	-	-	-	-	-
	<u>1,074,131</u>	<u>1,139,669</u>	<u>1,139,669</u>	<u>1,159,358</u>	<u>1,189,949</u>
Professional/Consulting Services					
5801 IT	12,000	12,000	12,000	12,324	12,664
5802 Audit & Taxes	12,000	17,000	17,000	17,000	17,469
5803 Legal	25,000	15,000	15,000	10,000	20,000
5804 Professional Development	40,000	35,000	35,000	35,000	35,000
5805 General Consulting	30,000	30,000	30,000	30,000	30,000
5806 Special Activities	35,000	5,000	5,000	5,135	5,277
5807 Bank Charges	1,000	100	100	103	103
5808 Printing	1,000	2,000	2,000	2,054	2,111
5809 Other taxes and fees	35,000	16,000	10,000	16,432	16,886
5810 Payroll Service Fee	900	12,000	12,000	12,324	12,664
5811 Management Fee	641,103	625,653	636,797	658,413	676,585
5812 District Oversight Fee	51,606	50,401	50,799	52,958	54,500
5813 Business Services	85,151	44,000	44,657	45,188	46,435
5814 SPED Encroachment	-	2,838	7,500	2,915	2,995
5815 Public Relations	25,000	-	-	-	-
5816 Legal Settlement	16,638	-	-	-	-
5820 Scholarship Expense	-	-	-	-	-
5830 Field Trips	-	7,500	7,500	7,888	8,106
5836 Fingerprinting	600	-	-	500	514
5839 Fundraising Fees	-	-	-	-	-
5851 Marketing and Student Recruiting	5,000	15,000	15,000	5,000	5,138
5873 Sports Contractors	-	-	-	-	-
5874 Sports	21,000	-	-	-	-
5875 Staff Recruiting	5,000	10,000	10,000	5,000	5,138
5877 Student Activities	5,000	20,000	20,000	21,035	21,616
5878 Student Assessment	-	40,000	40,000	20,000	20,552
	<u>1,047,998</u>	<u>959,491</u>	<u>970,352</u>	<u>959,268</u>	<u>993,751</u>
Depreciation					
6900 Depreciation Expense	193,801	193,801	193,801	3,163	3,163
	<u>193,801</u>	<u>193,801</u>	<u>193,801</u>	<u>3,163</u>	<u>3,163</u>
Interest					
7438 Interest Expense	-	-	-	-	-

FY25-26 JHHS

Multi-Year Forecast

Revised 3/13/2026

	2025-26	2025-26	2025-26	2026-27	2027-28
	Preliminary Budget	First Interim Budget	Second Interim Budget	Forecast	Forecast
	-	-	-	-	-
Total Expenses	\$ 6,392,359	\$ 6,481,366	\$ 6,483,711	\$ 6,203,947	\$ 6,349,249
Surplus (Deficit)	\$ 18,673	\$ (238,762)	\$ (115,741)	\$ 373,545	\$ 395,447

Fund Balance, Beginning of Year	\$ 2,551,350	\$ 1,848,016	\$ 1,831,787	\$ 1,609,254	\$ 1,982,799
Fund Balance, End of Year	\$ 2,570,023	\$ 1,609,254	\$ 1,716,046	\$ 1,982,799	\$ 2,378,246
	43.5%	24.8%	26.5%	32.0%	37.5%

Coversheet

Review of Amended Fiscal Policies & Procedures

Section: III. Committee Business: Discussion Items
Item: D. Review of Amended Fiscal Policies & Procedures
Purpose: Discuss
Submitted by: Adrienne Barnes
Related Material: AMPS Fiscal Policies & Procedures_draft Feb 2026 Redlined.pdf

BACKGROUND:

Updated Fiscal Policies & Procedures

RECOMMENDATION:

Staff recommends approval to the Board.

AMPS

HONOR HARD WORK

Fiscal Policies and Procedures

BOARD APPROVED: ~~January 15, 2025~~

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PURPOSE AND INTENT

The purpose of these fiscal policies and procedures is to document the policies and internal controls that support the successful operation of Amethod Public Schools (“AMPS” or “Network”) and its schools. The intent is to align with and follow legal and official regulations that apply to charter schools and non-profit corporations in the State of California as well as the additional best practices and sound internal controls that are recommended or required by AMPS’ authorizers, lenders, funders, and other experts such as the California Charter School Association (CCSA), Charter School Development Center (CSDC), the California Department of Education (CDE), and California’s Fiscal Crisis and Management Assistance Team (FCMAT).

The policies and procedures are reviewed at least annually by AMPS staff and advisors for compliance with new requirements and evolving guidance from the sources above, and changes are brought to the AMPS Board for approval as needed.

EXPENDITURE APPROVAL

Avoiding Conflicts of Interest

It is essential to avoid any conflicts of interest when making expenditure recommendations or decisions. A conflict of interest exists when an individual involved in a recommendation or decision has a personal financial interest in the outcome of the decision and does either of the following:

- Participates in decision-making related to that item.
- Influences, or attempts to influence, others making a contract or decision related to that item whether the attempt occurs inside or outside a board meeting.

AMPS has adopted and published a Conflict of Interest Code that has been approved by the AMPS Board and complies with the Fair Political Practices Commission (FPPC). Any potential conflicts of interest that might come into play with any expenditure recommendations or decisions must be disclosed by the employee or Board member and addressed pursuant to AMPS’s Conflict of Interest Code.

Authorization of Expenditures

Authorizing AMPS School and Network Expenditures:

- All contracts, purchases, or other expenditures (collectively referred to hereafter as “Expenditures”) made on behalf of any of the schools must be approved by the ~~Principal Site Director~~ or equivalent. The Chief Executive Officer (CEO), ~~Chief of Staff (CS)~~, Chief Operations Officer (COO), ~~and~~ Chief Academic Officer (CAO), ~~Chief Strategy and Compliance Officer (CSCO)~~, collectively the “C-Suite”, and Home Office Directors may also approve Expenditures on behalf of schools, up to their relative approval limits.
- Expenditures limits shall be measured on a fiscal year basis (July 1 - June 30).
- All Expenditures in excess of \$5,000 made on behalf of a single school site or the network as a whole (across multiple schools) must be approved by ~~a Senior Director~~ the COO, CAO, or

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CSCO.

- All Expenditures in excess of \$10,000 must be approved by the COO, CAO, or CS.
- All Expenditures in excess of \$25,000, must ~~also~~ be approved by the CEO.
- All Expenditures in excess of \$50,000, must be approved by the Board of Directors unless explicitly delegated otherwise on a case-by-case basis by the Board either (i) to staff, or (ii) to one or more Board Members who are designated to act on behalf of the Board as a whole.
- In the case of Expenditures being reimbursed or paid to an approver listed above, the approver’s supervisor must approve the reimbursement.
- In the case of Expenditures being reimbursed or paid to the CEO, the Board Chair must approve the reimbursement. The Board Chair may elect to delegate the approval of reimbursements of routine business Expenditures below \$1,000 to a staff member other than the CEO (typically the COO).

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When approving Expenditures for any School or the Network as a whole, the designated approver must:

- confirm that the Expenditure falls within the currently approved budget;
- contact the Finance Department, COO or designee if needed to confirm that funds are currently available for Expenditure;
- confirm that the Expenditure is allowable under the appropriate revenue source;
- confirm that the Expenditure is appropriate and consistent with the vision, approved charter, school and network policies and procedures, and any laws or applicable regulations;
- confirm that the price is competitive and prudent (and when the Expenditure is greater than \$25,000, document a good faith effort to secure the lowest possible cost for comparable goods or services); and
- work with the COO or designee to conduct a full bid process in accordance with law when required by law.

Federal Spending Thresholds:

Procurement methods shall be selected based on the total aggregate cost of the purchase and in accordance with federal regulations, including 2 CFR 200.320(a) and 2 CFR 200.320(b), as follows:

1. Informal Purchase Methods – Micro-Purchase Threshold

- Up to \$10,000
- Purchases at or below this amount may be awarded without soliciting competitive price or rate quotations, provided the price is reasonable.
- To the extent practicable, micro-purchases should be distributed equitably among qualified suppliers.

2. Small Purchase Procedures

- Over \$10,000 and up to \$119,100 (for 2026; \$114,500 for 2024)
- Price or rate quotations must be obtained from an adequate number of qualified sources.
- Documentation must be maintained showing the vendors contacted and the basis for selection.

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3. Formal Procurement Requirements

- Expenditures over \$119,100 (for 2026; \$114,500 for 2024)
- Formal procurement procedures must be used, including sealed bids or competitive proposals.
- Public solicitation is required.
- Cost or price analysis must be performed and documented.
- Contracts must be awarded to the responsible bidder whose proposal is most advantageous to the organization, considering price and other relevant factors.

◆ Thresholds shall automatically adjust if federal regulations revise them. The organization will follow the most current federally established thresholds.

No Gifts of Public Funds

Article 16, Section 6 of the California Constitution prohibits any gift of public funds to an individual or corporation. Per FCMAT guidance, the constitutional prohibition against a gift of public funds is generally not an issue when the direct and primary public purpose of an expenditure results in the public receiving a benefit from the expenditure. Additionally, expenditures of public funds that involve a benefit to private persons are not gifts within the meaning of the California Constitution if those funds are expended for a public purpose.

As such, any expenditure of public funds must primarily benefit the education of students in AMPS’s schools in order to not be considered a prohibited gift of public funds. Expenditures driven by personal motives are not justified even if they are well intentioned or based on benevolent feelings (e.g., gifts expressing gratitude to staff or volunteers or sympathy to community members).

No Political Contributions or Involvement

AMPS will not contribute to or otherwise make expenditures in support of any political campaign or candidate for public office. AMPS will not use (or allow management, staff, or other representatives to use) its assets or resources for support or opposition to any political campaign or candidate for public office. Individual employees, on their own time and with their own money, may contribute to candidates and campaigns of their choosing.

Signing of Contracts

Consideration will be made of in-house capabilities to accomplish services before contracting with outside parties.

Schools:

- All contacts must be reviewed and approved by the CEO, regardless of fiscal commitment. CEO may designate an alternative signer.
- PrincipalSite Directors are the only school-based staff authorized to sign contracts on behalf of their school. Members of the C-Suite may also sign contracts on behalf of schools.

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- ~~All contacts must be reviewed and approved by the CEO, regardless of fiscal commitment. CEO may designate an alternative signer.~~
- ~~Principal/Site Directors are responsible for ensuring that school-based contracts are performed to completion.~~

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Network:

- All contracts must be reviewed and approved by the CEO, or Designee.
- The Board Chair or CEO may sign contracts upon Board approval.
- The appropriate C-Suite member or designee and the Finance Department are responsible for ensuring that network-based contracts are performed to completion.

Contract Documentation

All contracts above \$25,000 must document a good faith effort to secure the lowest possible cost for comparable goods or services that meet all user requirements. Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the Network.

Written contracts clearly defining work to be performed will be maintained for all contract service provider relationships involving an Expenditure of \$2,500 or more (i.e. consultants, independent contractors, subcontractors).

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 COO or ~~CSC/CEO~~ may also require that contract service providers list AMPS as an additional insured on service providers' insurance policies.

If the contract service provider is a sole proprietor or a partnership (including LLC, and LLP), the contractor will provide a W-9 prior to submitting any requests for payments.

Contract service providers will be paid in accordance with approved contracts as work is performed.

Authorizing Payments to Vendor

A. ACH Payments

The Board Chair, CEO and COO will have the authority to approve ACH payments.

B. Online Bill Pay

The Board Chair, CEO and COO will have the authority to approve online bill payments.

C. Checks

The Board will designate the authorized check signers on all bank accounts and the COO will maintain a list of such authorized signers. Bank checks will be kept under lock and key, at both the Home Office and with the Back Office Provider. When there is a need to generate a bank check, the

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check will be entered into a ledger at the same time that the check is written. Checks may not be written to cash, bearer, or petty cash. Under no circumstance will any individual sign a blank check or a check made out to themselves. The COO or designee will put in place appropriate procedures to ensure that all checks are accounted for at all times (e.g., by monitoring check registers for any missing checks, and by ensuring that voided checks are stored in the organization's accounting files).

BANK ACCOUNTS, CREDIT CARDS & CASH

The Board of Directors authorizes the Board Chair, CEO, and COO to open and close bank and credit card accounts. The Board Chair, CEO, and COO may be authorized as co-administrators on all bank and credit card accounts, in accordance with the list of authorized account signers.

Bank Accounts

The organization is expected to maintain two types of bank accounts:

- **Operating Account** - The Network’s revenue will be deposited into an operating account that only the Board Chair, CEO and COO are authorized to manage. Only these individuals will have signing authority over these accounts or access to the funds in the accounts.
- **Savings Account(s)** - The COO shall manage Network’s cash to maximize savings in accounts with either FDIC-insured banks or NCUA-insured credit unions, ensuring that cash is spread to sweep accounts or across banks or credit unions to minimize risk.
- **School-level Accounts** -School sites will not have individual accounts, and will abide by the Network-level accounts and processes.

Cash Management

This section covers the management of cash on hand at the schools.

- All cash held at schools (e.g., for school events, fundraising, etc.) will be the responsibility of the PrincipalSite Directors. Teachers, office personnel, and other staff shall not hold cash separately. All cash will be delivered to a PrincipalSite Director on the same day it is received.
- At no times will cash held at schools overnight exceed \$5,000. Excess cash will be delivered to the Home Office at minimum weekly, or sooner if the balance nears \$5,000.
- No Loans will be made from the petty cash funds.

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Procedures for handling cash received by the Network:

Step	Person Responsible	Task	Frequency
1	<u>PrincipalSite Director</u>	Store cash in a fireproof safe. Provide additional key or code only to the Finance Department.	At all times
2	<u>PrincipalSite Director</u>	Provide a completed and signed receipt from a triplicate copy receipt book. Original copy given to the party giving the case. 2nd copy given to the Finance Department (see #3 below). 3rd copy stays in the receipt book at the school site. Attach documentation of purchases. Record all transactions on the receipt book as they occur.	At all times

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3	Principal/Site Director	Forward all documentation and receipts to the Finance Department for recording in the accounting software.	Weekly/As needed
4	Principal/Site Director	Immediately report any irregularities in the cash receipts and reconciliation to the Finance Department <u>and</u> COO.	As needed
5	COO or Designee	Review the cash reconciliation and notify the CEO and Board immediately if any discrepancies are found.	Monthly

Credit Cards

Credit Cards

The COO may authorize individuals to carry and use an AMPS credit card to make purchases on behalf of the school or network, consistent with the Expenditure approval policies above. The cardholder must sign a cardholder agreement in order to receive a physical credit card.

Credit cards will be kept under supervision of the approved individual, and all related documentation of purchases will be turned in to the Finance Department monthly for reconciliation. If itemized receipts are not available or are missing, the individual making the charge will be held responsible for payment and credit card privileges may be revoked.

The COO or designee may issue one-time virtual cards to employees needing to make a single online purchase under \$1,000, with approval of the employee’s supervisor.

Credit card statements of employees shall be reviewed and approved monthly by employee’s supervisor and the COO or designee.

Account Reconciliations

This section covers the process for reconciling bank and credit card accounts.

Step	Person Responsible	Task	Frequency
1	Finance Department/Back Office Provider	Record bank activity into bank ledger as it occurs.	As receipts / Expenditures occur
2	Finance Department/Back Office Provider	Download bank statements.	Monthly
3	Finance Department	Review check register/examine all posted checks. Research any discrepancies or any checks	Monthly

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		<p>over 90 days, and if applicable, adjust them in the accounting system.</p> <p>Examine all ACH and online bill payments. Research any discrepancies and reconcile.</p>	
4	Finance Department/ Back Office Provider	<p>Prepare the bank reconciliation, verifying the bank statements and all outstanding transactions.</p> <p>Compare the reconciled bank balance to the cash in the bank account and to the general ledger. Immediately report any discrepancies to the COO.</p>	Monthly
5	Finance Department/ Back Office Provider	Prepare reconciliation of bank activity to be reviewed by the COO or designee.	Monthly
6	COO or designee	Review and approve the reconciliation. Notify the CEO immediately if any discrepancies are found.	Monthly
7	Finance Department	Save a signed copy of each bank reconciliation alongside the bank statement in AMPS' accounting files.	Monthly

PURCHASING PROCEDURES

Establishing a New Vendor

AMPS is a non-profit organization and at times will be eligible for discounted products and services. When establishing new vendor accounts, inform vendors of the non-profit status and use the AMPS Internal Revenue Service Code Section 501(c)(3), number: 94-3185735. Please note: orders are not currently exempt from sales tax.

Purchase Orders

AMPS requires the use of formal purchase orders for all Expenditures at or above \$5,000. This section covers the process for purchase orders that are required by AMPS or vendors prior to ordering or delivering a product or service.

Step	Person Responsible	Task
1	Staff Member	Complete a purchase requisition.
2	Supervisor/Expense Approver	Approve the requisition.
3	Finance Department	Create or confirm purchase order, confirm purchase order is logged.
4	Finance Department	Send the purchase order to the vendor.

Invoice Payments

Invoices should be reviewed and sent to the Finance Department immediately upon receipt. Invoices are paid on a weekly basis. This section covers the process for submitting an invoice for payment.

Step	Person Responsible	Task
1	Staff Member	<ul style="list-style-type: none"> • Forward to the Finance Department, confirming receipt of all items/satisfaction of work performed, along with any supporting documentation.
2	Finance Department	If invoice details are complete, add coding to invoice with budget line item(s), secure appropriate approval, and forward to the Back Office Provider.
3	Back Office Provider	Verify invoice coding and initiate payment either by check or ACH.
4	COO or designee	Review and approve check register prior to release of checks/ACH.

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Payments Using an AMPS Credit Card

AMPS’s preferred payment method is to receive an invoice from vendors and pay by check. However, an AMPS credit card may be used when a vendor will not accept another form of payment. Credit Cards are to be used for business purposes only. Personal purchases of any type are not allowed. Each staff member who is authorized to use a credit card will be required to sign a credit card use certification statement acknowledging that the card shall only be used for legitimate charter school-related business purposes and that the cardholder agrees to take responsible precautions to protect the card from loss or theft.

Credit card purchases are subject to the same expenditure authorization limits and processes as all other purchases. Credit card purchases must be approved in advance by an AMPS employee with sufficient signing and budget approval authority for the planned expenditure.

If payment is made using an AMPS credit card account, follow the process below.

Step	Person Responsible	Task	Deadline
1	Cardholder	Secure approval for the purchase by any required authorizers based on the amount of the expenditure and which budget it will be applied to.	Prior to purchase
2	Cardholder	Keep track of all itemized receipts (including refund receipts).	As purchased
3	Cardholder	Complete a monthly report that details the budget line items and description of each purchase. Attach all itemized receipts.	Monthly
4	Supervisor and Finance Department	Review reports submitted by staff members and confirm accuracy.	Within 5 business days
5	Finance Department	Confirm coding and submit to Back Office Provider/ import into general ledger and reconcile on a monthly basis. Complete reconciliation as noted above.	Within 5 business days
6	COO or designee	Review the reconciliation and notify the CEO immediately if any discrepancies are found.	Monthly

Independent Contractors (1099 Vendors)

This section refers to independent contractors, known as 1099 vendors. These are defined as outside individuals or companies who are contracted by AMPS to provide services and are not paid through AMPS’ payroll processes for employees. Such individuals must meet all of the following criteria:

- A. the individual must be free from the control and direction of the AMPS in connection with the performance of the work, both under the contract for the performance of such work and in fact;
- B. the individual must perform work that is outside the usual course of AMPS’s business; and
- C. the individual must be customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed for AMPS.

Such individuals are typically self-employed, have no set hours, and have the freedom to render services which are not controlled by AMPS. Independent contractors also typically work for a pre-determined period of time on a specifically defined project. Prior to hiring an independent contractor, consideration will be made of in-house capabilities to accomplish services.

Step	Person Responsible	Task	Deadline
1	AMPS Staff Member that is requesting the Contractor	Identifies a need that cannot be met in-house, identifies an independent contractor who can provide the services, and makes a request to the Director or C-Suite supervisor to hire an independent contractor to provide the services	As needed
2	Director, CEO, COO, <u>CSECEO</u> or CAO	Consults with the Finance Department as necessary in order to evaluate the criteria for independent contractor status. If valid, approves the request.	As needed
3	Contractor	Provides a contract outlining services to be completed. Provides a completed W-9 to AMPS. (At times, AMPS will use our own contract template rather than using the Contractor’s template. In such cases, the COO or designee and the Finance Department will create the contract and provide it to the appropriate staff member.)	In advance of beginning work
4	Finance Department/COO or designee	Reviews W-9 and draft contract for compliance. If acceptable, forwards to appropriate signer within AMPS.	In advance of beginning work
5	CEO or Designee	Signs contract with independent contractor, after which work can begin	In advance of beginning work
6	Contractor	Completes work and submits invoice(s) to appropriate staff member/Finance Department. Submits work product updates as needed.	Monthly or at completion of project

7	Staff Member	Follows guidelines for invoice payments, ensuring appropriate approvals.	As invoices are received
8	Finance Department/Back Office Provider	Provides 1099 to contractor and files 1099 forms with the IRS.	Annually as required by law

RECEIPTS / ACCOUNTS RECEIVABLE

Documentation will be maintained for all receipts of funds or accounts receivable and forwarded to the Finance Department. All receipts and accounts receivable will be recorded by the Finance Department/Back Office Provider in the general ledger and accounts receivable will be collected on a timely basis.

Voluntary Donations / Contributions

Because charter schools are tuition-free public schools, neither parents nor students are required to donate their time or money as a condition of enrollment in any AMPS school. No student will be denied enrollment because a parent does not make a financial contribution to the charter school. While parent engagement and support of AMPS' schools is encouraged, any such activities are optional. In cases where a recommended donation or fee is stated for participation in an AMPS activity, provision will be made for the student to participate in the activity without making such donation or paying such fee. In cases where AMPS sells merchandise (e.g., food at fundraising events, etc.) student's participation in AMPS' educational programs will not be conditioned on purchasing such merchandise. AMPS will take no adverse actions against a student or parent that does not or cannot volunteer or contribute.

Cash Receipts (Cash and Checks)

This section covers how to handle cash and checks received in the mail or at an event/activity where donations are received or items (i.e. prom tickets) are sold.

Checks Received by Finance Department in Home Office

Step	Person Responsible	Task	Frequency
1	Office Staff	Open mail and provide any checks to the Finance Department.	Daily
2	Finance Department	<ul style="list-style-type: none"> Immediately endorse all checks with the appropriate deposit stamp. Store checks in safe until deposited to financial institution. Record a deposit summary of all checks received, itemizing the amount, source, and purpose of each payment. 	Daily
3	Finance Department	<ul style="list-style-type: none"> Deposit checks in person or via remote deposit machine and software provided by the general operating bank. Save a scan of the deposit details in Drive. 	Weekly
4	Finance Department/Back Office Provider	Code deposit summary with appropriate accounting dimensions and record deposit in accounting ledgers.	Monthly

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5	COO or designee	Review all deposit details as part of the monthly bank reconciliation process and notify the CEO immediately if any discrepancies are found.	Monthly
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Cash & Checks Received by Schools

Step	Person Responsible	Task	Frequency
1	School Staff, as determined by PrincipalSite Director	<ul style="list-style-type: none"> For cash or checks provided in person, issue a cash receipt from a triplicate copy receipt book. Original copy given to payee, 2nd copy submitted to Finance Department (see below). 3rd copy stays in the receipt book at the school site. Immediately place cash and checks in the safe. 	As received
2	School Staff, as determined by PrincipalSite Director	<ul style="list-style-type: none"> Immediately endorse all checks with the appropriate deposit stamp. Utilize dual cash counts for all cash when received, and every time cash changes possession. Use a numbered tamper-proof bag as provided by the Finance Department Create a summary of all cash and checks received, itemizing the amount, source, and purpose of each payment. Sign and date the summary. Secure in the school safe 	Daily
3	School Staff, as determined by PrincipalSite Director	Give the cash, checks, and deposit summary to the Finance Department.	Weekly

Cash & Checks Received at Events

Step	Person Responsible	Task	Timing
1	PrincipalSite Director	Designate a staff member as the Cashier responsible for collecting and holding all cash and checks for the purpose of an individual activity or for sales made at the school.	In advance of event.
2	Cashier/staff member	Record each transaction in a triplicate copy receipt book at the time the transaction is made. Provide an original receipt to the donor/customer. 2 nd copy submitted to Finance Department (see above). 3 rd copy	At transaction

		stays in the receipt book at the school site.	
3	Cashier + One Additional Staff Member	<ul style="list-style-type: none"> • Create a summary of all cash and checks received. Both employees sign and date the summary. • Use a numbered tamper-proof bag to secure all cash and checks • Give the cash, checks, receipt book, and deposit summary to the <u>PrincipalSite Director</u> to secure in the safe. <p>*Additional staff member can be the <u>PrincipalSite Director</u></p>	End of Event
4	<u>PrincipalSite Director</u> + One Additional Staff Member	<p>Re-count the funds and verify amount matches original count.</p> <p>Sign and date the summary, and provide budget codes for the deposits. Place all cash, checks, receipts, and signed summary in a numbered tamper-proof bag.</p> <p>Record the daily amount received and the tamper-proof bag number in a daily receipts log kept separate from the receipts book and cash/checks.</p>	End of Day
5	<u>PrincipalSite Director</u>	Secure numbered tamper-proof bag in school safe.	End of Day

Returned Check Policy

A returned-check processing fee may be charged for checks returned as non-sufficient funds (NSF). Unless otherwise pre-approved by the COO, payment of the NSF check and processing fee must be made by money order or certified check.

In the event that a second NSF check is received for any individual, in addition to any 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.

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 COO, CEO, and/or Governing Board.

If unsuccessful in collecting funds owed, AMPS may initiate appropriate collection and/or legal action at the discretion of the COO, CEO and/or Governing Board.

POSITION CONTROL & PAYROLL

Personnel Budget Approvals

AMPS’s Board approves each school’s annual budget and revisions to that budget on a periodic basis. Each budget will include the portion of each school’s approved expenditures that are related to employee compensation and benefits. The Board delegates individual personnel decisions (e.g., hiring, firing, compensation) to AMPS staff (subject to adherence with the Board approved budget and any relevant AMPS policies) as follows:

School Positions:

- Recommendations regarding creating or filling all School positions will be made by the PrincipalSite Director(s) of the School.
- The AMPS human resources team will determine the appropriate compensation for any position based on AMPS’s compensation philosophy, salary bands, and other reasonable factors.
- The COO will review all School positions.
- The COO will review the budgetary impact of all School positions.
- The CEO will give final approval on all positions and compensation.
- Employment Agreements with a salary over \$100,000 require board approval.

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Home Office Positions:

- Recommendations regarding creating or filling all Home Office positions will be made by the relevant Home Office department head.
- The AMPS human resources team will determine the appropriate compensation for any position based on AMPS’s compensation philosophy, salary bands, and other reasonable factors.
 - The COO will review all Home Office positions.
 - The COO will review the budgetary impact of all Home Office positions.
 - The CEO will give final approval on all positions and compensation.
 - Employment Agreements with a salary over \$100,000 require board approval.

As with any other Expenditures, the appropriate approver must:

- confirm that the proposed position falls within the currently approved budget;
- confirm that the position is allowable under the appropriate revenue source; and
- confirm that the position is appropriate and consistent with the vision, approved charter, school and network policies and procedures, and any laws or applicable regulations.

Retention and/or Recruitment Bonuses

- The CEO shall have the ability to offer signing/recruitment bonuses or retention bonuses up to \$5,000 per employee annually, for positions that are deemed "difficult to staff". A "difficult to staff" position is considered a role that faces challenges in attracting qualified candidates due to factors like specialized skills, demanding work conditions, geographic location, or limited applicant pool. No bonuses may be awarded if total compensation for the position would be excessive under IRS standards for non-profit employees. The CEO will consider past, present, and future compensation trends in deciding whether payment of a bonus could be considered "excessive" or "inequitable" and therefore should be avoided.

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Position Control

Position control refers to a system of tracking personnel budgets based on positions that are approved and expressed as full-time equivalents (FTE), rather than based on specific employees. It is used to budget and forecast expenses and to ensure that only authorized positions are filled and only appropriate personnel receive a payroll check. AMPS's Human Resources and Finance Departments will maintain a position control system to track which positions are approved per the approval policies above. It will also track which specific employee is in each role and what their compensation is for that position.

Information from the position control system will be incorporated into budget monitoring and reporting processes. It will also be integrated into AMPS's payroll and HR systems to ensure personnel costs are accurately recorded on a monthly basis and to identify and correct any material differences that arise from time to time.

Employee Qualifications

All AMPS staff on payroll must comply with state law requirements before being hired or assigned to AMPS's payroll system. ~~PrincipalSite-Directors~~ are responsible for working with Human Resources to manage the formal hiring process at their schools. Please refer to the AMPS Employee Handbook for information on employee requirements, and managing vacation and sick leave.

Payroll Submission Procedure

AMPS uses Paylocity for payroll and submits payroll online. Payroll is processed in-house by the Payroll and Benefits Manager, and is approved by the COO or designee.

Payroll Distribution

It is the preferred method of AMPS to disburse payroll via direct deposit. Direct deposit statements and W-2 forms are available to all staff online through Paylocity. Should an employee request paper paychecks, they will be delivered to the Home Office.

Payroll Taxes and Filings

Paylocity and the Back Office Provider (if applicable) will prepare payroll check summaries, tax and withholding summaries, and other payroll tracking summaries, and will file all state and federal quarterly and annual payroll tax forms and W-2 forms on a timely and accurate basis. The COO or designee will review the forms before the vendor submits them to the respective employees or agencies.

Record Keeping

All payroll records will be maintained by AMPS or the payroll vendor for seven years or longer if otherwise required by law.

EXPENSE REIMBURSEMENTS

Employee Business and Travel Reimbursements

At times, AMPS staff are asked to travel or have to purchase work related items using their own cash or credit cards. Business and travel expenses will be reimbursed for pre-approved expenses consulted and approved by the supervisor in accordance with their budget authorization and signing authority.

Expense reports will be processed on a weekly basis. For travel reimbursements policies and limits, refer to the travel reimbursement policy in the appendix.

This section covers the process for submitting an expense or travel reimbursement

Step	Person Responsible	Task	Timing
1	Staff Member	Keep track of all itemized receipts (including refund receipts). Non-itemized receipts or expenses without receipts may not be reimbursed.	As purchased
2	Staff Member	Complete expense reimbursement form through and attach itemized receipts for all charges.	Monthly, as necessary
3	Supervisor/ Approver	Review reimbursement form and approve it.	Within 3 business days
4	Finance Department	Review reimbursement requests and prepare a summary for payment by Back Office Provider, or review expense in expense management system.	Weekly
5	Finance Department/ Back Office Provider	Enter into accounting software and reconcile monthly as per above	Monthly
6	COO or designee	Review the reconciliation and notify the CEO immediately if any discrepancies are found.	Monthly

Volunteer Expenses

All volunteers will submit a purchase request to the [PrincipalSite-Director](#), Home Office Director, or C-Suite member for all potential expenses. Only items with prior authorization from such authorizer will be paid/reimbursed. Itemized receipts must be included to be eligible for reimbursement. Reimbursements for volunteers will be processed by the Finance Department.

Governing Board Expenses

The individual incurring authorized expenses while carrying out the duties of AMPS will complete and sign an expense report. The COO or designee will approve and sign the expense report, and

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submit it to the Finance Department for payment.

All Expenses

All expenses submitted for reimbursement must have an itemized receipt. The receipt should not contain personal items on it, and under no circumstances may the receipt contain alcohol or any other expense that violates AMPS’s expense rules.

Requests for mileage reimbursement must include Google Maps printout, or similar, with the mileage requested being the lesser of the travel from home or school site to the destination. Mileage will be reimbursed at the IRS Standard Mileage Rate in place at the time of travel.

Requests for reimbursement must be made within 30 days of incurring the expense.

Credit card users shall use the same guidance in the Travel Reimbursement Policy when making purchases and Expenditures during business travel for AMPS.

FINANCIAL REPORTING BUDGETING & RECORDS RETENTION

Financial Budgeting

The Back Office Provider, in consultation with the COO or designee, will prepare an annual financial budget for each school. The budget will include input from ~~Principal~~Site Directors, Home Office Directors, and members of the C-Suite. The annual budget will be submitted to the Board of Directors for approval prior to the July 1 start of each fiscal year. It will be accompanied by a description of the assumptions that guided the creation of the budget. The approved budget for each School will be incorporated in the Local Control and Accountability Plan (LCAP) for that School, which will be prepared, reviewed, and adopted in accordance with California law. The LCAP and Budget for each School will be submitted to such School’s authorizer on a timeline and in such format as is required by law.

The Back Office Provider will prepare budget revisions on an as-needed basis throughout the year, which revisions are subject to Board approval. At a minimum, such revisions will include a First Interim and Second Interim budget revision for each School that will be prepared, approved, and submitted to such School’s authorizer on a timeline and in such format and timeline as is required by law.

Budgets will be developed using reasonable and timely assumptions regarding all areas of the network’s operations, including, but not limited to enrollment and attendance projections, student demographics that impact funding, public funding rates, non-public revenue sources, position control and staffing levels, employee benefit costs, and other cost projections. They will factor in reasonable and timely assumptions related to COLAs and inflation expectations. Budgets will include a multi-year financial projection that (at a minimum) includes the current year plus two following years.

Financial Monitoring and Reporting

The Back Office Provider and COO and/or designee will periodically monitor adherence to the then-current budget and share a financial update and reports with the Board of Directors at each meeting of the Board. Such monitoring, updates and reports will include a budget-to-actual variance analysis for each major category of the then-current budget for each school, and a narrative description of noteworthy variances. If necessary, action will be taken to adjust the budget based on these reports.

The Finance Department, Back Office Provider, and COO will provide the CEO and/or Board of Directors with additional financial reports, as needed.

AMPS will provide financial reports (e.g., Unaudited Actuals) for each School to such School's authorizer on a timeline and in such format as is required by law. AMPS will file all information and tax returns required by the Internal Revenue Service (IRS) and California's Franchise Tax Board (FTB) on a timely and accurate basis.

AMPS' Finance Department and/or Back Office Provider will maintain a financial reporting calendar of relevant financial reporting deadlines to ensure that required reporting deadlines are met on a timely basis.

Accounting Dimensions

AMPS will adhere to all elements of California's Standardized Account Code Structure (SACS) that are required to meet the needs of State financial reporting requirements. This currently includes tracking all revenues and expenditures by "object" and "resource" as those terms are defined in the California School Accounting Manual (CSAM). AMPS may implement additional accounting dimensions as needed for its own internal reporting or to provide improved visibility into program operations and efficiency.

Restricted Fund Accounting and Reporting

AMPS and the Back Office Provider will maintain sufficiently detailed fund accounting procedures and records to identify the sources and uses of all restricted funding sources at each school so as to be able to separately identify the revenues, expenses, receivables, payables and cash and fund balance for that funding source at that school. Over time, the expectation is that all restricted funding sources will eventually reach a \$0 fund balance as expenditures match the revenues received. Accurate and timely reports will be filed for each such funding source and school as required by that funding source.

Retention of Records

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 COO, certain documentation may be maintained for a longer period of time.

FINANCIAL RESERVES, LIQUIDITY, AND INVESTMENTS

Funds Balances / Reserves

AMPS recognizes the need to maintain an adequate fund balance that will ensure the financial viability of our network and each school. The following policies related to the maintenance of adequate fund balances, reserves, and cash liquidity reflect recommendations made by the California Department of Education, our County Offices of Education and authorizers, our financial auditor, and researched best practices among California CMO peers and non-profits more broadly.

AMPS will maintain a positive fund balance each year on a consolidated basis, and at each school. The fund balance will be measured annually as the sum of the network's or the school's assets, minus its liabilities, in both cases as recorded in AMPS' or the Back Office Provider's accounting system.

Building / maintaining reserves under normal circumstances: Each AMPS school, and the AMPS Home Office is expected to develop an annual budget that has a neutral or positive impact on its fund balance (i.e., with revenues equaling or exceeding expenses) and with a concrete multi-year plan to ensure at minimum breakeven operations for a 3-year rolling period, and a minimum 5% reserve for economic uncertainty. The COO or designee will work with each school to develop an individualized plan to reach each school's goals. An annual contribution to the school's reserve will be built into each school budget as needed.

Financial Assets/Cash Management Strategy

This policy regarding the cash management strategy and savings instruments of AMPS' financial assets is set forth to:

- define and assign the responsibilities of all parties involved in managing AMPS' cash,
- establish a clear understanding of the savings policy and objectives, and
- provide guidance and limitations to any internal or outside portfolio manager regarding the investment of AMPS assets.

Savings Objectives

The objective of AMPS' cash management strategy is (a) to preserve capital required for day-to-day operations of our schools and (b) to maximize funds held in interest-bearing accounts.

The investment horizon of the funds should endeavor to match the duration of the associated funding needs. Funds required for day-to-day operations will be maintained in a standard checking account. Funds for savings will be maintained by direction of the COO in Certificates of Deposit High-yield savings, or other investments that are not subject to market fluctuations.

Delegation of Authority

The Board of Directors is responsible for approving the savings policy and has authorized the CEO and COO to oversee the placement of assets on an ongoing basis. The CEO and COO are authorized

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to delegate certain responsibilities to professional agents such as portfolio managers, custodians, attorneys, auditors, consultants and other specialists who are experts in their field, as needed.

General Cash Management Principles

- Investments shall be made solely in the interest of AMPS Public Schools.
- Assets shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the investment of a fund of like character and with like aims.
- Savings shall be reasonably diversified in multiple banks and/or credit unions.
- Cash is to be employed productively to provide safety, liquidity, and return.

Allowable Assets

Cash Equivalents

- Checking Accounts
- Savings Accounts
- Treasury Bills
- Time Deposits, including Certificates of Deposit

FIXED ASSETS / DEPRECIATION / LEASES / INSURANCE

Asset Inventory

A depreciable asset is defined as all items, purchased or donated, with a value of \$5,000 or more and with a useful life of more than one year.

The Finance Department will maintain records of all receipts for purchased assets, including depreciable assets, as well as non-capitalized assets.

The Finance Department, in consultation with the Technology and Facilities Departments, will also maintain an inventory or log of all depreciable assets. The log will include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting assets. The log will also include the useful life of any depreciable assets in order to facilitate depreciation accounting noted below. The COO will immediately be notified of all cases of theft, loss, damage or destruction of assets.

Asset Sales and Disposal

The COO or designee will approve any plans for disposing of any fixed assets with a clear and complete description of the asset and the date of disposal. Any asset disposal will be managed in a manner that ensures that AMPS receives a fair market value for such asset, and that avoids any conflicts of interest.

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Capital assets may be sold or traded for new equipment; when this occurs, an asset sale and disposition form should be completed. Upon approval, the school may advertise the property for sale or submit a list to the Facilities Department for sale and disposition. After completion of the sale, a completed original bill of sale form with authorized signatures should be submitted to the Finance Department. The Finance Department and Back Office Provider should delete the item from the asset records and record any gain or loss on the disposition.

Worn Out or Obsolete Assets

Worn out or obsolete assets with no cash value should be reported to the Finance and Facilities Departments on the asset disposition form, which includes a description, serial number and condition of the asset. The Facilities Department should inspect all worn out or obsolete property before it is discarded. The asset can then be removed from the asset records.

Missing or Stolen Assets

Any missing or stolen asset should be reported in writing to the [PrincipalSite-Director](#) and Facilities and Finance Departments as soon as its absence is discovered . The report should include the description, serial number, and other information about the lost item. The Finance Department should determine the proper course of action and should notify COO or [CSCS](#), as the charter school’s insurance carrier and any outside authorities may need to be notified . If the asset is not recovered, it can be removed from the asset records.

The Finance Department and Back Office Provider will record any such disposal in AMPS’ accounting software on a timely and accurate basis.

Capitalization and Depreciation

AMPS has determined a capitalization threshold of \$5,000 as appropriate. AMPS’ Finance Department and/or Back Office Provider will record depreciation expense with all capitalized assets in order to track those assets’ decline in value because of wear and tear, age, deterioration, or obsolescence. AMPS uses the straight-line depreciation method that reports the same amount of decline in value each year.

Insurance

The [CSCS](#) and/or COO will ensure that appropriate insurance is maintained at all times with a high-quality insurance agency.

The [CSCS](#) and/or COO will maintain the files of insurance policies, including an up-to-date copy of all, insurance policies, certificates of insurance (including the designation of required additional insured as required under AMPS’s charters, MOUs, lending agreements, and other contracts as appropriate), and related claim forms.

The [CSCS](#) and COO will carefully review insurance policies on an annual basis, prior to renewal.

Insurance will include at minimum, general liability, worker’s compensation, student accident, professional liability, and directors’ and officers’ coverage.

LOANS AND BORROWING

Loans

The Board will approve all loans made or taken out by AMPS. In the case of a long-term loan, approval may also be required from the chartering authority (in accordance with the terms of the charter petition or an MOU with such authority) and/or other lenders (in accordance with the loan documents). Once the loan is approved by the Board, a promissory note will be prepared and signed by the Board Chair or CEO before funds are borrowed.

Loans to/from Employees

Loans to or from employees are not permitted.

Lines of Credit/Credit Card Account

AMPS will endeavor to maintain a line of credit to provide short-term cash liquidity as needed pursuant to the policies above. The CEO and COO have been authorized by the Board of Directors to borrow funds against the line of credit or to establish Network credit card accounts on behalf of AMPS, as needed to ensure that the network meets its financial obligations.

ANNUAL FINANCIAL AUDIT

The Board will annually select an auditor by April 1 prior to the fiscal year-end (June 30th).

The Board will annually contract for the services of an independent certified public accountant on the State of California's approved list to perform an annual fiscal audit. The audit shall include, but not be limited to:

- An audit of the accuracy of the financial statements;
- An audit of the attendance accounting and revenue accuracy practices;
- An audit of the internal control practices;
- Because AMPS's schools are considered local government entities the independent audit will be conducted based on governmental auditing standards and the provisions listed in the Guide for Annual Audits of TK-12 Local Educational Agencies and State Compliance Reporting, published by the Education Audit Appeals Panel (EAAP) and available at www.eaap.ca.gov.

The annual audit will be presented to the AMPS Board for review and approval each year and will be filed with the CDE and SCO on a timely basis each year. Any audit exceptions and/or deficiencies will be resolved to the satisfaction of the AMPS Board and the Board of Directors and the charter-granting agency.

APPENDIX A – TRAVEL AND REIMBURSEMENT POLICY

Employees who travel on behalf of AMPS in order to fulfill their work duties or to attend workshops, conferences, or other employment-related activities, or who purchase work-related items with personal funds, will be reimbursed for qualified expenses incurred.

The following policy is intended to address the vast majority of expenses incurred by AMPS staff. In the event that exceptions are required due to the unique nature of the work-related purpose of the trip or the specific location to which the staff member is traveling, the staff member must get prior approval from their supervisor prior to incurring expenses outside this policy. Supervisors are responsible for exercising prudent judgment in evaluating such requests and encouraged to discuss them with the COO if they have any doubt about the appropriateness of the request.

All reimbursement claims must be pre-approved by the employee's supervisor, and must be supported by the original, itemized receipts, or in the case of mileage, tolls, and public transportation, by print outs of maps and fare schedules. If for some reason, obtaining a receipt is not possible, contact the COO for guidance on how to proceed.

General Travel Requirements

The employee requesting to travel on behalf of AMPS must work with his/her supervisor to determine whether the benefit from the travel to both the employee and to AMPS will outweigh anticipated costs of the travel, including how the employee's absence will affect teammates, students and upcoming deadlines. All efforts should be made to explore alternatives such as participation by phone or videoconference, and availability of local programs or training opportunities.

Employees with job duties that require regular travel between school sites are not required to request approval in advance of travel. Again, efforts should be made to explore alternative participation methods as often as possible to minimize expense to AMPS.

Long-Distance or Multi-Day Travel: When an employee travels for professional development opportunities, conferences or workshops that will require an absence from his/her worksite for more than one day, the following expenses may be eligible for reimbursement:

- meals and non-alcoholic drinks;
- transportation to and from the airport and/or hotel or other business-related locations;
- overnight hotel fees and taxes;
- mileage to and from the airport or hotel, if driving yourself;
- parking; and
- internet access if needed for business purposes.

Non-reimbursable expenses: The following expenses are not eligible for reimbursement:

- alcoholic beverages;
- entertainment (movie, purchases/rental, plays, concerts, etc.);
- additional expenses incurred in the accommodation of an employee's non-AMPS related travel plans (e.g. extra hotel nights, additional stopovers, meals, increased fares to accommodate a different flight schedule, etc.);

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- expenses associated with travel of an individual’s spouse, family or friends;
- reimbursements for gifts of any kind; and
- expenses lacking receipts or sufficient supporting evidence to justify the expense.

Air Travel Reimbursement

Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. Flights must be reviewed by the employee’s supervisor or the Finance Department before booking to ensure costs are reasonable, appropriate, and within budget. Employees should use price comparison sites to find the best/reasonable rate and should book travel in coach/economy class instead of business/first class.

Lodging Reimbursement:

Employees are not required to share a room while traveling for AMPS business. Employees should use price comparison sites to find the best/reasonable rate. Maximum allocation for lodging is \$250.00 per night unless using a conference rate, or otherwise approved by a C-Suite member. When requesting rates at hotels, always ask for discounts and rates available for public school employees.

Parking Reimbursement

In cases where an employee is required to drive, parking will be reimbursed at a reasonable rate based on the location to which the employee is traveling. Employees should use the airport parking in the appropriate lot based on the length of your trip (e.g., long-term vs daily) and utilize economy lots where available to save money.

Car Rentals Reimbursement

Should an employee’s travel require a car rental and refueling cost, the employee must receive prior approval from a member of the C-Suite. AMPS will not reimburse employees for rental car insurance fees, upgrades, and/or navigation features, and employees are expected to carry their own insurance. Reimbursement for gas is allowable on car rentals only, with the proper receipts. Employees should book compact or standard-size cars unless there’s a reason for a different vehicle or free upgrade and should use price comparison sites to find the best or most reasonable rate.

Mileage Reimbursement

Reimbursement for work-related travel using an employee’s personal automobile will be made according to the IRS-published mileage reimbursement rate in effect at the time of travel. In calculating mileage, employees should use the lesser of the distance from their home or their work site to the destination.

Meals Reimbursement

When an employee is required to travel for more than one day (i.e., overnight travel), meals will be reimbursed up to \$100 per person per day unless otherwise approved by a member of the C-Suite. To qualify for meal costs, the following leave and return time limits apply:

- Breakfast: Must leave before 6:30am and/or return after 9:00am
- Lunch: Must leave before 11:00am and/or return after 1:30pm
- Dinner: Must leave before 4:00pm and/or return after 6:30pm

Itemized receipts are required for all meals. AMPS employees are permitted to pay for meals for reasonable business associates (e.g., other AMPS staff, potential donors, etc.), but meals for personal companions will not be reimbursed. Alcoholic beverages will not be reimbursed.

Travel Expense Report

All reimbursement forms and receipts should be submitted as soon as possible after travel. All forms must be received within 30 days of the event or travel and no later than July 15th of the following fiscal year. Please contact the Finance Department for instructions on how to complete the necessary forms.