



AIMS K-12 College Prep Charter District

Finance Committee Meeting

Date and Time

Thursday January 10, 2019 at 6:00 PM PST

Location

171 12th Street Oakland Ca, 94607

AIMS does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. Marisol Magana has been designated to receive requests for disability-related modifications or accommodations in order to enable individuals with disabilities to participate in open and public meetings at AIMS. Please notify Marisol Magana at (510) 220-9985 at least 24 hours in advance of any disability accommodations being needed in order to participate in the meeting.

Agenda

I. Opening Items

Opening Items

A. Call the Meeting to Order

B. Record Attendance and Guests

C. Approve prior Committee Meeting Minutes

Approve minutes for Finance Committee Meeting on December 3, 2018

D. Public Comment on Non-Action Items

Public Comment on Non-Action Items is set aside for members of the Public to address the items on the Committee's agenda prior to each agenda item. The Committee will not respond or take action in response to Public Comment, except that the Committee may ask clarifying questions or direct staff. **Comments are limited to two (2) minutes per person, and a total time allotted for all public comment will not exceed twenty (20) minutes (10 minutes per section).**

E. Public Comment on Action Items

Public Comment on Action Items is set aside for members of the Public to address the items on the Committee's agenda prior to each agenda item. The Committee will not respond or take action in response to Public Comment, except that the Committee may ask clarifying questions or direct staff. **Comments are limited to two (2) minutes per person, and a total time allotted for all public comment will not exceed twenty (20) minutes (10 minutes per section).**

II. Non-Action Items

A. Nob Hill Contract Negotiations

- Data, Accountability and Operations Manager, Ms. Tiffany Tung

B. Monthly Financial Update

- Chief Business Officer, Ms. Katema Ballentine

C. AIPCS Mortgage Update

- Chief Business Officer, Ms. Katema Ballentine

III. Action Items

A. Discussion Regarding Credit Card Use

- Chief Business Officer, Ms. Katema Ballentine

IV. Closed Session

A. Public Comment on Closed Session Items

Public Comment on Closed Session Items is set aside for members of the Public to address the items in this section prior to closed session. The Committee will not respond or take action in response to Public Comment, except that the Committee may ask clarifying questions or direct staff. **Comments are limited to two (2) minutes per person, and a total time allotted for all public comment will not exceed twenty (20) minutes (10 minutes per section).**

B. Recess to Closed Session

Closed Session Items:

1. Conference with Real Property Negotiators
(Gov. Code Section 54956.9)

2. Conference with Legal Counsel - Anticipated Litigation
(Gov. Code Section 54956.9)

C. Reconvene from Closed Session

Roll Call

D. Report from Closed Session

V. Closing Items

A. Items For Next Agenda

- Financial Impact of Flooding Incident
-
-
-

B. Adjourn Meeting

C. NOTICES

The next regular meeting of the Board of Directors is scheduled to be held November 20, 2018 @ 6:30 pm. AIMS does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. Marisol Magana has been designated to receive requests for disability-related modifications or accommodations

in order to enable individuals with disabilities to participate in open and public meetings at AIMS. Please notify Marisol Magana at (510)220-9985 at least 24 hours in advance of any disability accommodations being needed in order to participate in the meeting.

I, _____ hereby certify that I posted this agenda at the AIMS Campus 171 12th street, Oakland, CA 94607 on, _____, at _____ PM.

Certification of Posting

Coversheet

Approve prior Committee Meeting Minutes

Section: I. Opening Items
Item: C. Approve prior Committee Meeting Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Finance Committee Meeting on December 3, 2018

APPROVED



AIMS K-12 College Prep Charter District

Minutes

Finance Committee Meeting

Date and Time

Monday December 3, 2018 at 6:00 PM

Location

171 12th St. Oakland CA, 94607

AIMS does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. Marisol Magana has been designated to receive requests for disability-related modifications or accommodations in order to enable individuals with disabilities to participate in open and public meetings at AIMS. Please notify Marisol Magana at (510) 220-9985 at least 24 hours in advance of any disability accommodations being needed in order to participate in the meeting.

Committee Members Present

C. Edington, C. Thompson, K. Ballentine, M. Woods-Cadiz

Committee Members Absent

None

Guests Present

Adrienne Barnes, Alexander Lee, M. Magana, M. Taylor, Maurice Williams, Scott Gustafsson, Tiffany Tung

I. Opening Items

A.

Call the Meeting to Order

C. Edington called a meeting of the Finance Committee of AIMS K-12 College Prep Charter District to order on Monday Dec 3, 2018 at 6:05 PM.

B. Record Attendance and Guests

C. Public Comment on Agenda Items

No comments were presented on Agenda Items.

II. Agenda Items

A. AIMS Lunch Program Financial Update

Ms. Tung provide a report on the AIMS Lunch program. Data shows the program is doing well, and the Operations Team is working on getting unpaid balances paid.

Director Thompson suggested looking to School Side Council for reference in collecting the unpaid balances.

Heads of Schools and Superintendent will work with Operations to craft a message relating to the lunch program and collecting its unpaid balances.

Ms. Tung reported that the Nob Hill Vendor Contract is set by the State, however they are open to new language being used in the Indemnification clause.

Committee Assignment:

Sample language (Indemnification Clause) for the Nob Hill Vendor Contract will be an Action Item

B. Apple Credit Application

Mr. Lee requested approval to submit the Apple Credit Application to purchase apps for the iPad purchase for K-1.

The Finance Committee approves the Apple Credit Application to be added to the next scheduled Board Meeting.

Committee Assignment:

Provide estimated cost for apps that will be purchased.

C. Measure G1 Carryover

Mr. Williams requested approval to use a portion of the unused Measure G1 Grant to purchase iMacs and locks to start a computer lab for web design.

The Finance Committee recognizes the Measure G1 Grant as a whole and approves this item to be added to the next scheduled Board Meeting.

D. Transfer of Funds from Wells Fargo Account

Ms. Ballentine requests the Finance Committee approve the transfer of funds previous held in an old Wells Fargo account recently closed to be transfer as non public funds into the Community Bank account.

It was noted that these funds predated the Superintendent and current Board Members.the funds are not be spent until further research is completed to know exactly where the funds came from so that they are used correctly.

The Finance Committee approves this item to be added as an action item at the next scheduled Board Meeting with the stipulation noted above.

E. 18 - 19 First Interim Approval for Submission

Ms. Adrienne Barnes from CSMC presented the 18-19 First Interim Report. Overall, AIMS First Interim Reporting was a success. Projections and budgets are on track. Concerns were address by the Finance Committee in regards to the negative impact the flooding incident had on this report. The report did not have this data as the flood happened after the reporting dates for this Interim.

Next Finance Meeting:

Address any negative effect the recent closure due to the flooding incident had on the schools budget.

F. Annual Audit Approval for Submission

Mr.. Scott Gustafsson from VTD, reported that AIMS audit was a success. All stages of the audit were found to "fairly reported".

III. Closed Session

A. Public Comment on Closed Session Items

No comments were presented on Closed Session Items.

B. Recess to Closed Session

Recess to Closed Session at 7:35 PM

C. Reconvene from Closed Session

Reconvened from Closed Session at 7:37 PM

D. Report from Closed Session

The Finance Committee had nothing to report.

IV. Closing Items

A. Items For Next Agenda

- Address any negative effect the recent closure due to the flooding incident had on the schools budget.
- Sample language (Indemnification Clause) for the Nob Hill Vendor Contract will be an Action Item

B. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 8:18 PM.

Respectfully Submitted,
M. Taylor

C. NOTICES

Coversheet

Nob Hill Contract Negotiations

Section: II. Non-Action Items
Item: A. Nob Hill Contract Negotiations
Purpose: FYI
Submitted by:
Related Material: 2019.01.10 Nob Hill Contract Negotiations.pdf



Committee Meeting Item Cover Sheet

Item:

Presented By:

Staff Recommendation:

Committee Approval:

Yes No N/A

Total Associated Cost:

Yes No N/A

Included in Budget?

Yes No N/A

Over Budgeted Amount?

Yes No N/A

Under Budgeted Amount?

Yes No N/A

Amount Over/Under Budget?

Included in LCAP?

Yes No N/A

Which LCAP?

- Any rights of copyright to which a grantee, subgrantee, or a contractor purchases ownership with federal grant support (2 CFR, Section 200.315(B))

M. Severability

Should any provision(s) of this Contract be declared or found to be illegal, unenforceable, ineffective, and/or void, then each party shall be relieved of any obligations arising from such provision(s). The balance of this Contract, if capable of performance, shall remain and continue in full force and effect.

N. Counterparts

This Contract may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

O. Silence/Absence/Omission

Any silence, absence, or omission from the Contract specifications concerning any point shall mean that only the best commercial practices are to prevail. Only those materials (e.g., food, supplies, etc.) and workmanship of a quality that would normally be specified by the SFA are to be used.

P. Indemnification

The VENDOR shall indemnify and hold harmless the SFA, or any employee, director, agent, or Board Member of the SFA, from and against all claims, damages, losses, and expenses (including attorney's fees and court costs incurred to defend litigation), and decrees or judgments whatsoever arising from any and all injuries, including death or damages to or destruction of property resulting from the VENDOR's acts or omissions, willful misconduct, negligence, or breach of the VENDOR's obligations under this Contract by the VENDOR, its agents, employees, or other persons under its supervision and direction.

The VENDOR shall not be required to indemnify or hold harmless the SFA from any liability or damages arising from the SFA's sole acts or omissions.

Q. Penalties

For the breach of the Contract and associated benefits:

If the VENDOR causes the breach, the VENDOR assumes liability for any and all damages, including excess cost to the SFA in procuring similar services, and is liable for administrative, contractual, and legal remedies, as applicable.

R. Small and Minority Businesses - Prime Contractors and Subcontractors

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women's

Coversheet

Monthly Financial Update

Section: II. Non-Action Items
Item: B. Monthly Financial Update
Purpose: FYI
Submitted by:
Related Material: 2019.01.10 Monthly Financial Update.pdf



Committee Meeting Item Cover Sheet

Item: Monthly Financial Update

Presented By: Katema Ballentine, CBO

Staff Recommendation:

For Informational Purposes

Committee Approval:

Yes No N/A

Total Associated Cost:

Yes No N/A

Included in Budget?

Yes No N/A

Over Budgeted Amount?

Yes No N/A

Under Budgeted Amount?

Yes No N/A

Amount Over/Under Budget?

Included in LCAP?

Yes No N/A

Which LCAP?

American Indian Model Schools

Fiscal Monitoring Update November 2018 Close

Presented by Katema Ballentine, CBO
January 10th Finance Committee Meeting

AIMS FISCAL MONITORING

- Types of Fiscal Monitoring
- AIMS July thru November Financial Update
- AIMS Monthly Financial Update
- Appendices

Types of Fiscal Monitoring

State Mandated Fiscal Reporting

- Adoption Budget (Annual Projection)
- 1st & 2nd Interim (Quarterly Reporting)
- Unaudited Actuals (Year End Close)
- Year End Audit

AIMS Fiscal Reporting

- Monthly Fiscal Operations Update
- Monthly Financial Update

- State Mandated reporting are defined by state requirements and timelines. These monitoring reports are used to analyze the fiscal vitality of the organization as well as the compliant use of funds.
- AIMS Monitor Reporting is a monthly update of activity the occurs and is reflected in the State Mandated Reports. This helps to ensure that the state and compliancy guidelines are represented in our fiscal operations.

AIMS Financial Monitor Reporting

AIMS Financial Year to Date Reporting

- July thru November Revenue
- July thru November Expenses
- July thru November Summary

AIMS Financial Monthly Reporting

- Monthly Operation Report
- Monthly Fiscal Report



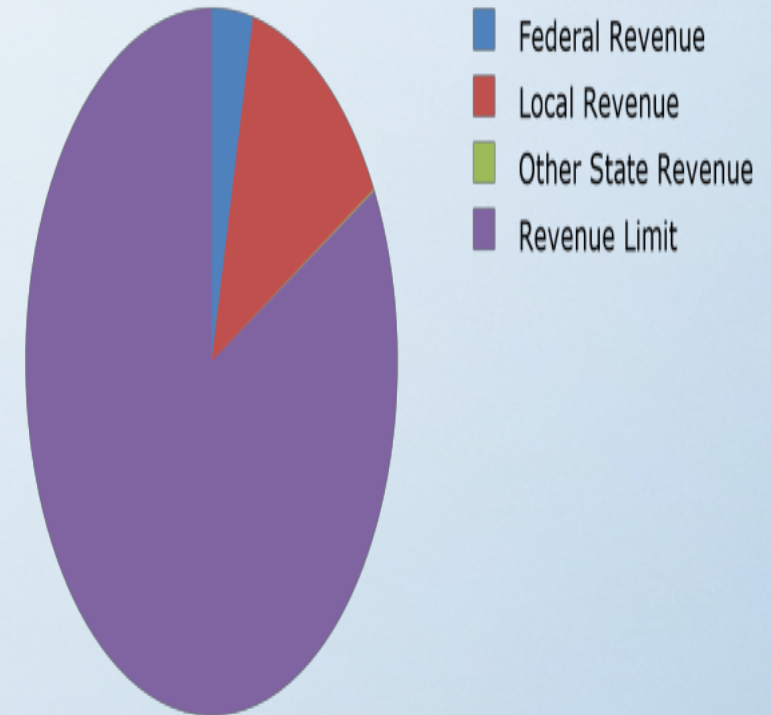
July thru November AIMS Revenue

American Indian Model Schools

July 2018 - November 2018

Account Group	Description	Total	Percent
800	Revenue Limit	\$3,512,778.00	83.03%
820	Federal Revenue	\$152,062.19	3.59%
840	Other State Revenue	\$3,056.64	0.07%
870	Local Revenue	\$562,725.08	13.30%
Total:		\$4,230,621.91	

Revenue By Category



800 Revenue Limit = State Revenue

- LCFF
- Charter In Lieu of Property Tax

820 Federal Revenue

- Federal Nutrition Program
- Title I, II, III, IV (Categorical Funding)

840 Other State Revenue

- State Nutrition Program

870 Local Revenue

- Measure G1
- Grants and Donations

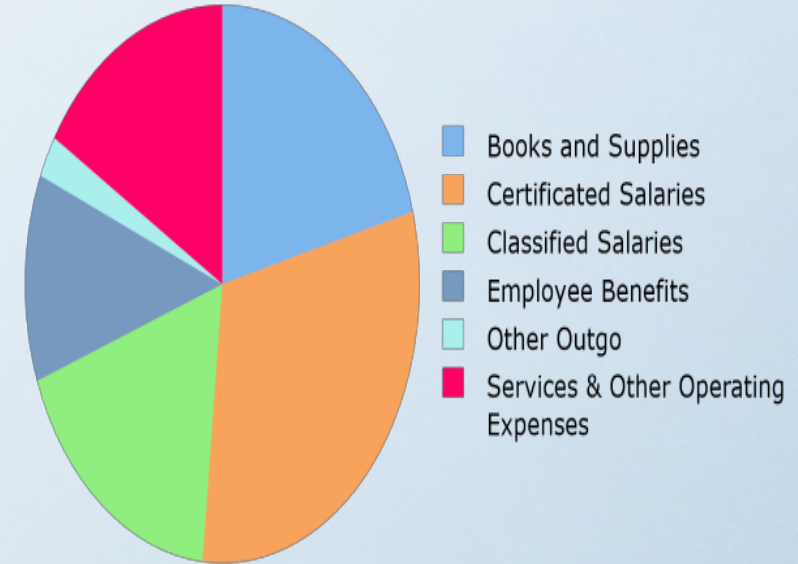
July thru November AIMS Expenses

American Indian Model Schools

July 2018 - November 2018

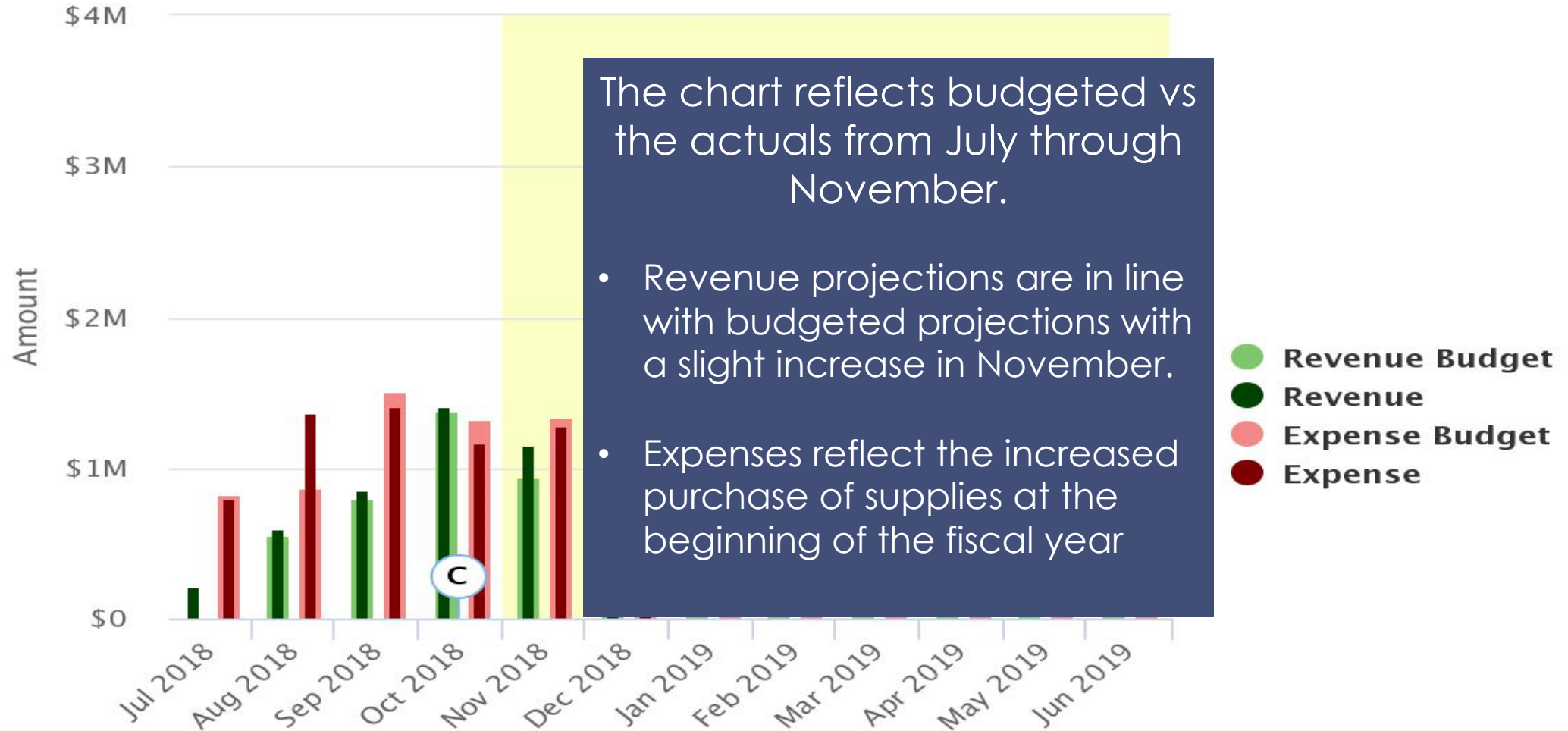
Account Group	Description	Total	Percent
100	Certificated Salaries	\$1,856,893.86	30.78%
200	Classified Salaries	\$1,071,846.72	17.77%
300	Employee Benefits	\$722,746.34	11.98%
400	Books and Supplies	\$1,256,472.60	20.83%
500	Services & Other Operating Expenses	\$978,777.05	16.22%
700	Other Outgo	\$146,279.13	2.42%
Total:		\$6,033,015.70	

Expenses By Category



- The expenses reflect appropriate spending levels for the salaries and benefits as the School year begins in September so this snapshot reflects 1/3 or 30% of the year.
- For the 2018-19 school year, supplies were planned and purchased at the beginning of the year for the entire year. Spending in categories such as books and supplies reflect this practice.

July thru November AIMS Summary



AIMS Fiscal Reporting

Monthly Operation Update

- Month in Review
- Monthly Close Date
- Number of Checks Issued
(excluding payroll)
- Check written cashed amount

Monthly Financial Update

- Revenue Receipts to Date
- Expenses to Date
- Spending patterns

AIMS November Operation Update

- MONTH: NOVEMBER 2018
- CLOSE DATE: DECEMBER 21 (*open-see slide 13)

Holidays(No School):

Monday, November 12
November 19 -23

Flood Impact Days (No School):

Friday, November 9
November 26 -30

NOVEMBER 2018	
Checks Written	82
Check activity	\$231,109.83

* *Checks written do not reflect payroll checks issued. These expenses are categorized as non-salary*

AMERICAN INDIAN MODEL SCHOOLS NOVEMBER REVENUE ACTIVITY

Account Code	Description	Actual
8011	LCFF Revenues	\$663,783
8096	Charter Schools Funding In-Lieu of Property Taxes	\$206,469
Revenue Limit		\$870,252
8220	Federal Child Nutrition Program	\$37,224
8291	Title I Federal Revenue	\$78,974
Federal Revenue		\$116,198
8520	State Child Nutrition Program	\$2,600
Other State Revenue		\$2,600
8639	Student Lunch revenue	\$5,228
8685	School Site fundraising	\$1,756
8699	All Other Local Revenue	\$150,000
8999	Revenue Suspense	\$1,918
Local Revenue		\$158,902
Total Revenue		\$1,147,951

AIMS Actualized (received) Revenues

\$870K State K-12 Revenues

- State Apportionments received

\$2.6K State Nutrition Revenue

- State Apportionment received

\$116K Federal Revenues

- Federal Apportionments Received

\$158K Local Revenue

- \$150K Property Loss Claim (1st installment)

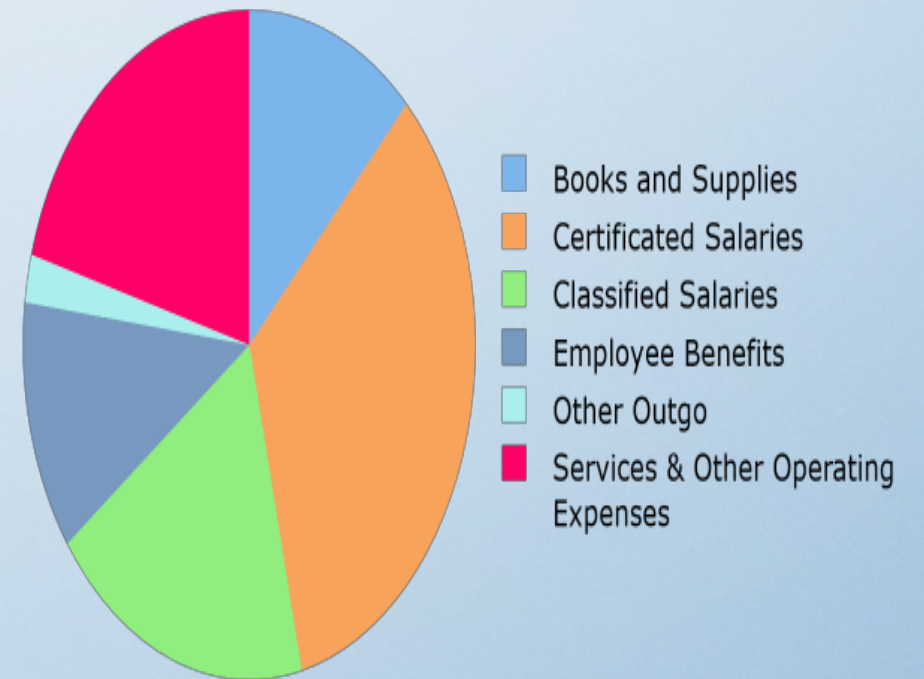
AMERICAN INDIAN MODEL SCHOOLS NOVEMBER EXPENSE ACTIVITY

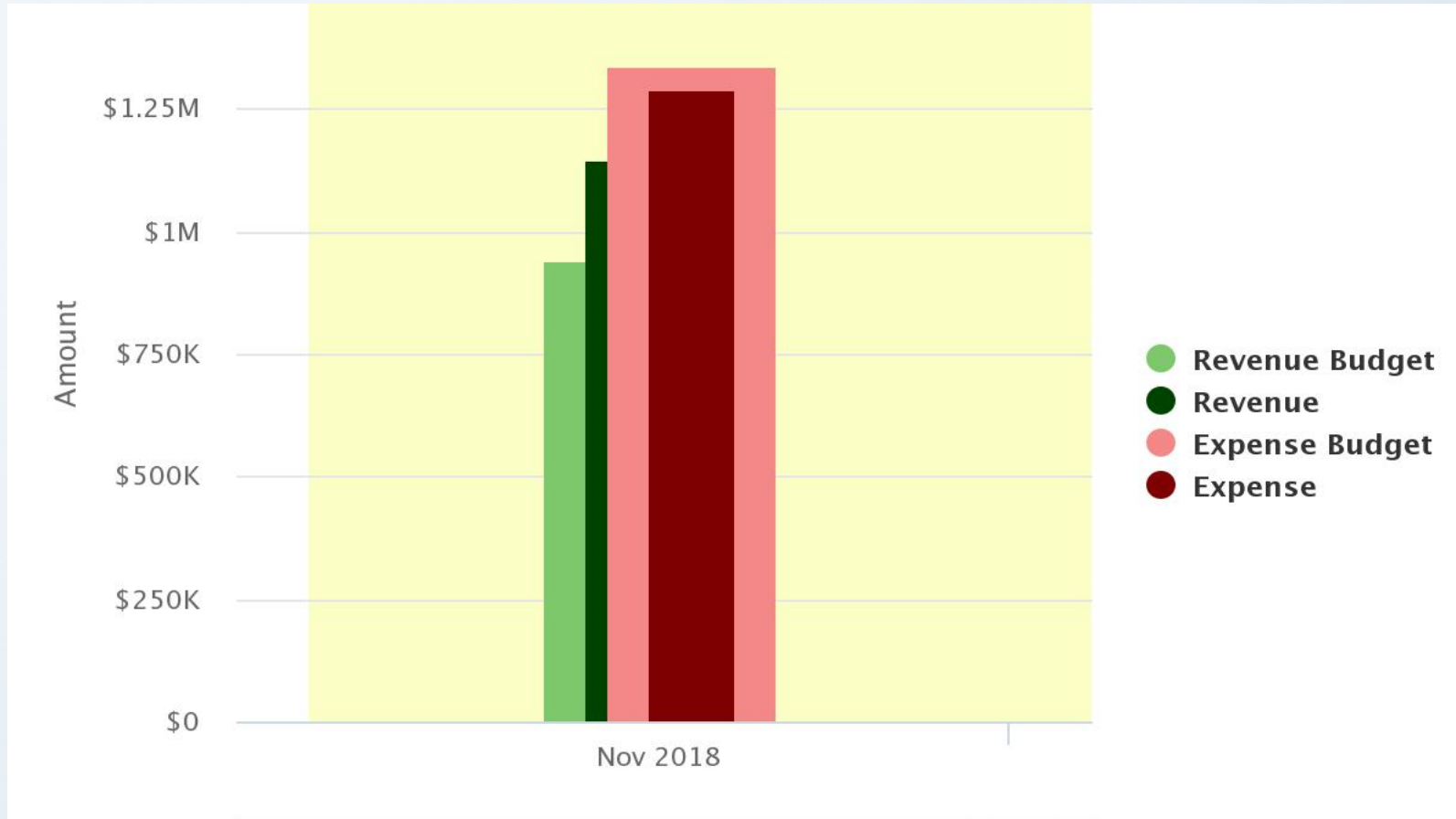
American Indian Model Schools

November 2018 - November 2018

Account Group	Description	Total	Percent
100	Certificated Salaries	\$438,323.12	34.04%
200	Classified Salaries	\$239,669.55	18.61%
300	Employee Benefits	\$156,533.90	12.16%
400	Books and Supplies	\$157,547.58	12.23%
500	Services & Other Operating Expenses	\$266,008.25	20.66%
700	Other Outgo	\$29,634.70	2.30%
Total:		\$1,287,717.10	

Expenses By Category





AIMS Monthly Financial Activity at a Glance

For the month of November the budget projected for revenue was exceeded. Factors such as State allocation submissions and Property Loss Revenue impacted this change. Expenses were under projections but over revenue. This is common during this time of the year due to State and Federal allocation submission schedules.

What's Ahead



Finance Committee TOPICS

- February: December Update

Coming in January.....

- Review and reallocation of Lunch Program Revenue Coding *Hence the “open” comment for November Closing Date
- Closing of December 2018
- January 31st Cut off for 2nd Interim Expense reporting



November 2018 Fiscal Update Appendices

Revenue & Expense Classifications

State Revenues

- LCFF (Base, Supplemental & Concentration)
- Property Tax In Lieu

Federal Revenues

- Title I, II, III, IV
- Food Service Program

Local Revenues

- Measure G1 (6-8 only)
- Grants & Donations

Salary Expenses

- 100 Certificated Salaries
- 200 Classified Salaries
- 300 All Benefits (i.e Taxes, H&W etc.)

Non-Salary Expenses

- 400 Books and Supplies
- 500 Service and Operations
- 600 Capital Outlay (Facility related)

AIPCS I November Revenue

Revenue Types	AIMS	AIPCS I	
	Total Revenue	Total Revenue	% of Total
1 LCFF Revenues	\$ 663,783	\$ 77,690	12%
2 Charter Schools Funding in Lieu	\$ 206,469	\$ 26,442	13%
3 Federal Child Nutrition Program	\$ 37,224	\$ -	0%
4 Title I Federal Revenue	\$ 78,974	\$ 12,044	15%
5 State Child Nutrition Revenue	\$ 2,600	\$ -	0%
6 Student Lunch Revenue	\$ 5,228	\$ 21	0%
7 School Site Fundraising	\$ 1,756	\$ -	0%
8 All other Local Revenue	\$ 150,000	\$ 75,000	50%
9 Revenue Suspense	\$ 1,918	\$ 1,918	100%

Highlights:

- #3, #5 & #6 Lunch Revenues are being audited and reclassified, anticipated increase
- #8 reflects 12th Street Property Loss reimbursement installment

AIPCS II November Revenue

Revenue Types	AIMS	AIPCS II	
	Total Revenue	Total Revenue	% of Total
1 LCFF Revenues	\$ 663,783	\$ 351,506	53%
2 Charter Schools Funding in Lieu	\$ 206,469	\$ 116,651	56%
3 Federal Child Nutrition Program	\$ 37,224	\$ 37,224	100%
4 Title I Federal Revenue	\$ 78,974	\$ 44,328	56%
5 State Child Nutrition Revenue	\$ 2,600	\$ 2,600	100%
6 Student Lunch Revenue	\$ 5,228	\$ 5,228	100%
7 School Site Fundraising	\$ 1,756	\$ 510	29%
8 All other Local Revenue	\$ 150,000	\$ 75,000	50%
9 Revenue Suspense	\$ 1,918	\$ -	0%

Highlights:

- #3, #5 & #6 Lunch Revenues are being audited and reclassified, anticipated decrease
- #8 reflects 12th Street Property Loss reimbursement installment

AIPHS November Revenue

Revenue Types	AIMS	AIPHS	
	Total Revenue	Total Revenue	% of Total
1 LCFF Revenues	\$ 663,783	\$ 234,587	35%
2 Charter Schools Funding in Lieu	\$ 206,469	\$ 63,376	31%
3 Federal Child Nutrition Program	\$ 37,224	\$ -	0%
4 Title I Federal Revenue	\$ 78,974	\$ 22,602	29%
5 State Child Nutrition Revenue	\$ 2,600	\$ -	0%
6 Student Lunch Revenue	\$ 5,228	\$ -	0%
7 School Site Fundraising	\$ 1,756	\$ 1,224	70%
8 All other Local Revenue	\$ 150,000	\$ -	0%
9 Revenue Suspense	\$ 1,918	\$ -	0%

Highlights:

- #3, #5 & #6 Lunch Revenues are being audited and reclassified, anticipated increase

November Expenses

<u>Expense Category</u>	<u>AIMS TOTAL</u>	<u>AIPCSI</u>		<u>AIPCSII</u>		<u>AIPHS</u>	
SALARIES	\$ 677,993	\$ 144,066	21%	\$ 372,982	55%	\$ 160,945	24%
BENEFITS	\$ 156,534	\$ 34,069	22%	\$ 82,110	52%	\$ 40,355	26%
BOOKS & SUPPLIES	\$ 157,548	\$ 43,193	27%	\$ 86,737	55%	\$ 27,618	18%
SERVICES & OPERATIONS	\$ 266,008	\$ 179,700	68%	\$ 50,932	19%	\$ 35,377	13%
CAPITAL OUTLAY	\$ -	\$ -	0%	\$ -	0%	\$ -	0%
OTHER OUTGO	\$ 29,635	\$ 5,038	17%	\$ 24,597	83%	\$ -	0%



THANK YOU

Coversheet

AIPCS Mortgage Update

Section: II. Non-Action Items
Item: C. AIPCS Mortgage Update
Purpose: FYI
Submitted by:
Related Material: CS - AIPCS Mortgage Update.pdf



Committee Meeting Item Cover Sheet

Item: AIPCS Mortgage Update

Presented By: Katema Ballentine

Staff Recommendation:

For Informational Purposes

Committee Approval:

Yes No N/A

Total Associated Cost:

Yes No N/A

Included in Budget?

Yes No N/A

Over Budgeted Amount?

Yes No N/A

Under Budgeted Amount?

Yes No N/A

Amount Over/Under Budget?

Included in LCAP?

Yes No N/A

Which LCAP?

Coversheet

Discussion Regarding Credit Card Use

Section: III. Action Items
Item: A. Discussion Regarding Credit Card Use
Purpose: Discuss
Submitted by:
Related Material: 2019.01.10 Credit Card Use.pdf



Committee Meeting Item Cover Sheet

Item: Discussion Regarding Credit Card Use

Presented By: Katema Ballentine, CBO

Staff Recommendation:

Move to recommend for Board Approval to adopt new policies and schedule for AIMS credit card use.

Committee Approval:

Yes No N/A

Total Associated Cost:

Yes No N/A

Included in Budget?

Yes No N/A

Over Budgeted Amount?

Yes No N/A

Under Budgeted Amount?

Yes No N/A

Amount Over/Under Budget?

Included in LCAP?

Yes No N/A

Which LCAP?

AIMS CREDIT CARD ACTIVITY SCHEDULE

Credit card statements reflect a billing cycle of 15th – 15th of each month. In order to accurately capture the activity corresponding with each reporting cycle the Spending Activity Schedule was developed to be implemented as a part of the Credit Card Use agreement.

AIMS CREDIT CARD ACTIVITY SCHEDULE

1ST INTERIM	2ND INTERIM	YEAR END CLOSE
JULY 1-31	NOVEMBER 1-30	FEBRUARY 1-28/29
SEPTEMBER 1-30	DECEMBER 1-21	MARCH 1-31
OCTOBER 1-15	JANAURY 1-15	APRIL 1-30
NO SPENDING	NO SPENDING	MAY 1-30
*OCOTBER 16-31	*JANUARY 16-31	JUNE 1-15 YEAR END CLOSE

EXECEPTIONS:

ANY EXCEPTIONS WITHIN THIS TIMELINE MUST PRE-APPROVED BY THE SUPERINTEDENT AND CHIEF BUSINESS OFFICER THROUGH THE PURCHASE ORDER SYSTEM (OFFICEWISE).

**ACKNOWLEDGEMENT OF
RECEIPT OF CREDIT CARD
AND NOTICE OF CREDIT CARD PROGRAM REQUIREMENTS**

To assist employees in the conduct American Indian Model Schools business and recording of business-related transactions, AIMS has established a Credit Card Program. Your signature below acknowledges you have read and agree to comply with the provisions of the credit card program and its future modifications.

You (Cardholder/Employee) are being entrusted with a company credit card. The credit card is being provided to assist you in paying for those materials and supplies necessary for the performance of your job. This Card may be cancelled at any time at the sole discretion of the American Indian Model Schools. Each card has an account number to allow the tracking of transactions.

The following highlights key provisions of the program.

1. **CARD RESTRICTED TO BUSINESS USED ONLY.** The credit card issued to you must be used for the purchase of those materials and supplies necessary for the performance of your job. Materials and supplies may include but are not limited to classroom and instructional supplies, pre-approved travel, field trips, etc. You must sign the back of the card upon receipt. Use of the card is limited to you and you are prohibited from authorizing its use to any other individual for any purpose. The card shall not be used for personal purchases.
2. **COMPLETION OF MONTHLY PURCHASE REPORTS.** Once a month you will receive a statement listing all purchases charged to the "Account". Within 5 working days of receipt of the statement you will need to (a) verify the amount of the charges with the original receipt and attach the receipt. (b) write the appropriate expenditure account number and brief description on statement. (c) If there is any discrepancy related to a charge you will initiate follow-up with AIMS Katema Ballentine, Chief Business Official at (510)893-8701 ext. 17, (d) sign the statement; and forward to your Approving Manager or Supervisor.
3. **FAILURE TO FOLLOW THE REQUIREMENTS.** Inappropriate use of the card includes but is not limited to: Use of the Card without authorization. Misuse of the Card in any way. Providing false or misleading information; and loss or theft of the Card due to employee gross negligence. In accordance with AIMS policies and procedures, failure by an employee to follow program requirements may result in disciplinary actions, up to and including employment termination.
4. **LOSS OR STOLEN CARD.** If your Card is loss or stolen, or if you think your Account was used without your permission, you should notify AIMS Credit Card Company (Name and contact information) immediately. Additionally, you must notify the AIMS Business Department at (510)893-8701 ext. 17.
5. **SURRENDER CARD UPON TERMINATION OF EMPLOYMENT.** Upon termination of employment, you must immediately surrender the assigned card to your immediate supervisor.
6. **ACKNOWLEDGMENT.** I acknowledge receipt of the Card and was provided an opportunity to ask questions of a knowledgeable designate regarding the appropriate use of this card. I confirm that I have read and understand the above requirements and agree to comply with the procedures.

By signing below, I acknowledge I have read and understand the items discussed above.

Cardholder: _____

Department/Location: _____

Signature: _____

Phone Number: _____

Account (Card) Number: _____

Card Expiration: _____

American Indian Model Schools Fiscal and Operation Policy: 208 Use of School Credit Cards

PURPOSE:

The Board of Trustees of American Indian Model Schools recognizes the efficiency and convenience afforded the day-to-day operation of AIMS charter school, for payments and recordkeeping for certain expenses, through the use of school credit cards. However, the Board recognizes the need to establish control measures for the use of these cards. The Board agrees that it has a responsibility to ensure that credit card expenses incurred by American Indian Charter Schools must clearly be linked to the business of AIMS schools. This policy addresses and establishes the proper use and assignment of school credit cards. The Board has agreed on the fundamental principles of this policy and has delegated responsibility for the implementation and monitoring of the policy to the Chief Financial Officer (CFO).

DEFINITIONS:

2.01 Cardholder/User: The person for which the school credit card has been issued.

2.02 School credit card: The physical card and number associated with the card issued to the cardholder.

2.03 Administrator: The accounts payable staff member assigned to perform the online accounting process, follow up as required and file completed statement reconciliations.

SCHOOL CREDIT CARD USERS:

3.01 The following positions are authorized credit Cardholders/Users: The Superintendent of Schools, Chief Financial Officer, Director of Sports Programs and the Head of Divisions of each AIMS charter school. No other employee may use a Celerity school credit card without express written approval by the Chief Executive Officer.

3.02 A list of those individuals issued a school credit card will be maintained by the CFO and the back-office services provider and reported to the Board of Directors annually.

3.03 A Cardholder/User employee who is no longer employed by AIMS charter schools shall return his or her AIMS school credit card upon termination or resignation to the CFO or CFO's designee.

3.04 Credit cards will be disabled immediately upon the termination or resignation or misuse of a Cardholder/User employee by the card administrator. Accounting for credit cards and settlement of credit card billings shall be part of employee separation checklists.

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USER RESPONSIBILITIES:

4.01 Credit Cardholders/Users must take proper care of their school credit card(s) and take all reasonable precautions against damage, loss or theft by adherence to the following provisions:

4.01.1 All Cardholders/Users must keep secure and confidential all school credit card numbers and information.

4.01.2 Cardholders/Users shall not store sensitive school credit card data, including full account number, type, expiration and track data, in any method on computers or networks.

4.01.3 Cardholders/Users shall not transmit in an insecure manner, such as by email, unsecured fax or via mail, school credit card information.

4.01.4 Cardholders/Users shall restrict access to credit card data and processing to the Administrator or other authorized individuals.

4.01.5 Cardholders/Users shall maintain card information in a secure environment accessed only by the issued Cardholder/User.

4.02 Except for the Superintendent, Cardholders/Users shall not be allowed to authorize payment of their own travel expenses. Travel expenses for any Cardholder/ User other than the Superintendent must be pre-approved by the Superintendent and the CFO.

4.03 Cardholders/Users are responsible for retaining detailed receipts and/or supplier documentation for all purchases made with their school credit card, without which the Cardholder/User is responsible for the purchase.

4.04 Cardholders/Users shall submit detailed documentation, such as itemized detailed receipts and/or supplier documentation for services, travel and/or other actual and necessary expenses which have been incurred in connection with school-related business for which the school credit card has been used.

4.05 Failure to take proper care of school credit card(s) or failure to report damage, loss or theft may subject to the Cardholder/User to financial liability and discipline.

USAGE:

School credit cards may only be used for legitimate AIMS charter school's business expenses and in accordance with American Indian Model Schools policies, as defined below.

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5.01 Credit cards shall only be used for transactions for which payment of check disbursement is not accepted or is not practicable, such as if the transaction would cause undue hardship to AIMS schools or the Cardholder/User.

5.02 School credit card usage is limited to the following types of expenses. Any deviations from this usage policy must have prior written approval from the Superintendent or CFO. The Superintendent may also approve expenses.

5.02.1 Business services, including catering or advertising.

5.02.2 Business supplies, including office supplies, educational supplies, operation and maintenance supplies.

5.02.3 Travel, including transportation services, airfare, car rental expenses, or payments to a travel agency.

5.02.4 Payments to educational and charitable organizations, including schools, colleges, vocational schools and membership organizations.

5.03 **EXCLUSIONS:** School credit cards shall not be used for cash advances, ATM, money orders, gift cards, alcohol, jewelry or clothing, medical expenses, or payment of fines or penalties unless prior written approval is received from the CFO. In no event shall a school credit card be used for a Cardholder/User's personal expenses.

5.04 This policy and the schools' use of the school credit cards shall not circumvent AIMS purchasing policies and procedures. A school credit card shall be used as a method of payment only after all required purchasing forms have been completed, including but not limited to check request, purchase orders, travel vouchers and purchase requisitions.

5.05 School credit card transactions are hereby authorized using the following methods:

5.05.1 Card present (Point-of-sale) transactions: The Cardholder/User shall present the school credit card for purchase of goods and services. The Cardholder/User shall obtain a receipt for all purchases and credits, note the transaction with a purchase order number and check request number as required, and attach those approved documents for submission to the Administrator.

5.05.2 Via telephone or mail order: The Cardholder/User shall provide the vendor or merchant the school credit card number, expiration date and other pertinent data necessary to complete the transaction. The Cardholder/User shall take reasonable precautions to ensure that the transaction is valid prior to providing school credit card data. The Cardholder/User shall note and record confirmation data or other supplier documentation, as available, shall note the transaction with a purchase order number and check request number as required, and shall attach those approved documents for submission to the Administrator.

5.05.3 Via internet: The Cardholder/User shall provide the vendor or merchant with the school credit card number, expiration date and other pertinent data necessary to complete the transaction. The Cardholder/User shall take reasonable precautions to ensure that the transaction is valid, and the website is secure prior to providing pertinent school credit card data. The Cardholder/User shall obtain a screen printout of the receipt, confirmation data or other supplier documentation, as available, shall

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note the transaction with a purchase order number and check request number as required, and shall attach those approved documents for submission to the Administrator.

5.06 Purchases shall not exceed the card limits per billing cycle set for school credit card use, or the overall financial credit limit of American Indian Model Schools. Current limits per billing cycle by class of Cardholder/User are: Superintendent (\$1,000), Chief Financial Officer (\$1,000), Director of Sports Programs (\$1,000), and the Head of Division of Schools (\$1,000). The CFO shall monitor and may recommend changes to these limits. The Superintendent limit may be changed only by the Board of Directors. The list of limits by class of Cardholder/User will be maintained by the CFO and reviewed annually to ensure adherence to procurement policy thresholds.

5.07 Any benefits of the school credit card such as membership awards programs are only to be used for the benefit of American Indian Model Schools and shall not be redeemed for personal use.

5.08 Purchases that are unauthorized, illegal, representative of a conflict of interest, are personal in nature or otherwise violate the intent of this policy may result in credit card revocation and discipline of the Cardholder/User.

DOCUMENTATION:

6.01 The Administrator shall ensure AIMS maintains detailed documentation that all expenses charged to school credit cards are supported by: a credit card slip; a detailed invoice or receipt, and any other supporting detailed documentation, from the Cardholder/User as evidence of the validity of expenses; and a check request and any other necessary detailed documentation as outlined by AIMS schools' purchasing policies and procedures.

6.02 The Administrator is responsible for accounting for all purchases within five (5) working days of receiving a credit card statement.

6.03 The Accounts Payable Clerk shall ensure that all school credit card statements are reconciled prior to AIMS payment and recording of expenses in the general ledger.

6.04 The Finance department will retain detailed receipts and documentation for no less than five (5) years following the purchase date.

PAYMENTS:

School credit card statements will be paid in their entirety on a monthly basis or otherwise in accordance with the cardholder agreement with issuing financial institution.

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