



Rainier Valley Leadership Academy

Board of Directors Meeting

Monthly

Date and Time

Tuesday November 28, 2023 at 4:30 PM PST

Rainier Valley Leadership Academy (GDPSW) Board meetings are open to the public. This meeting will be virtual. Please use zoom link below:

Dial-in info: manual

(669) 900-6833

Meeting ID: 989-793-884

Dial in info: one-touch

669-900-6833,,989793884#

Videoconference link

<https://zoom.us/j/989793884>

In person option @ 6020 Rainier Ave S, Seattle WA 98118

Agenda

| | Purpose | Presenter | Time |
|---|-----------------|--------------------------|----------------|
| I. Opening Items | | | 4:30 PM |
| Opening Items | | | |
| A. Record Attendance and Guests | | Reco Bemby & Tyson Marsh | 4 m |
| B. Call the Meeting to Order | | Reco Bemby & Tyson Marsh | 2 m |
| II. Public Testimony | | | 4:36 PM |
| A. Call for public testimony. | FYI | Reco Bemby & Tyson Marsh | 3 m |
| III. Consent Agenda | | | 4:39 PM |
| A. Resolution October 24th, 2023 Board Meeting Minutes | Approve Minutes | Tyson Marsh | 2 m |
| B. Resolution October 2023 Payroll & Claim Vouchers | Vote | Tyson Marsh | 2 m |
| C. Resolution RVLA Accounting & Finance Policies & Procedures Handbook | Vote | Tyson Marsh | 2 m |
| IV. Mission Aligned | | | 4:45 PM |
| A. Mission Challenge | FYI | Lisa Shimoi | 8 m |
| B. Mission Moment | FYI | Tyson Marsh | 7 m |
| V. Updates | | | 5:00 PM |
| A. Finance Update | FYI | Chastity Catchings | 10 m |
| B. Enrollment Update | FYI | Lenny Emperado | 6 m |
| C. Academic Update | FYI | David Watson | 9 m |
| VI. Executive Session | | | 5:25 PM |

| | Purpose | Presenter | Time |
|--|---------|-----------|------|
|--|---------|-----------|------|

| | | | |
|---------------------|--|--|--|
| A. As Needed | | | |
|---------------------|--|--|--|

VII. Closing Items

| | | | |
|---------------------------|------|--|--|
| A. Adjourn Meeting | Vote | | |
|---------------------------|------|--|--|

Rainier Valley Leadership Academy Board of Directors Meeting Agenda 11/28/23

Coversheet

Resolution October 24th, 2023 Board Meeting Minutes

Section: III. Consent Agenda
Item: A. Resolution October 24th, 2023 Board Meeting Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Board of Directors Meeting on October 24, 2023
Bd of Directors Mtg Minutes Resolution-11.28.23 22x.docx.pdf

APPROVED



Rainier Valley Leadership Academy

Minutes

Board of Directors Meeting

Monthly

Date and Time

Tuesday October 24, 2023 at 4:30 PM

Rainier Valley Leadership Academy (RVLA) Board meetings are open to the public. This meeting will be virtual. Please use zoom link below:

Dial-in info: manual

(669) 900-6833

Meeting ID: 989-793-884

Dial in info: one-touch

669-900-6833,,989793884#

Videoconference link

<https://zoom.us/j/989793884>

In Person Option: 6020 Rainier Ave, Seattle, WA 98118

Directors Present

J. Thiel (remote), M. Dyal (remote), M. Sahoo (remote), R. Bembry (remote), T. Marsh, V. Hsu (remote)

Directors Absent

E. Forde, M. MASON

Directors who arrived after the meeting opened

T. Marsh

Guests Present

B. Coleman (remote), C. Catchings (remote), D. Watson (remote), Jenine Lewis, L. Reisberg (remote), Lenny Emperado (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

R. Bembry called a meeting of the board of directors of Rainier Valley Leadership Academy to order on Tuesday Oct 24, 2023 at 4:50 PM.

C. Public Comment

opened for public comment.
no public comment requested

II. Mission Challenge

A. Spotlight on a current challenge RVLA is facing.

highlighted opportunities to support RVLA staff/teachers

III. Mission Moment

A. Spotlight on a recent highlight for RVLA.

highlighted approval of federal school expansion funding

IV. Finance Update

A. Enrollment & Contingency Budget

T. Marsh arrived at 4:55 PM.
Reviewed 2022-2023 school year actual finances
Discussed enrollment & enrollment strategy

B. Investing Public Funds Update

V. Consent Agenda

A. Resolution September 26th, 2023 Board Meeting Minutes

J. Thiel made a motion to approve the minutes from Board of Directors Meeting on 09-26-23.

M. Sahoo seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

R. Bembry Aye

V. Hsu Aye

M. Sahoo Aye

M. Dyal Aye

T. Marsh Aye

J. Thiel Aye

M. MASON Absent

E. Forde Absent

B. Resolution for August & September 2023 Payroll & Claim Vouchers

J. Thiel made a motion to Approve.

M. Sahoo seconded the motion.

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 25, 2022, the Board, by a unanimous vote, approves payments, totaling \$110,769.73, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Warrant Numbers 101610 through 101622, totaling \$105,679.38 AP ACH Numbers 9000001174 through 9000001177, totaling \$5,090.35

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 25, 2022, the Board, by a unanimous vote, approves payments, totaling \$14,158.26, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Direct Deposit Numbers 9000001178 through 9000001178, totaling \$3,988.09

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 25, 2022, the Board, by a unanimous vote, approves payments, totaling \$268,962.72, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Direct Deposit Numbers 9000001199 through 9000001230, totaling \$142,557.81

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 25, 2022, the Board, by a unanimous vote, approves payments, totaling \$34,450.38, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Warrant Numbers 101642 through 101649, totaling \$7,282.00 AP ACH Numbers 9000001193 through 9000001198, totaling \$27,168.38

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 25, 2022, the Board, by a unanimous vote, approves payments, totaling \$246,006.81, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Warrant Numbers 101624 through 101641, totaling \$165,342.50 AP ACH Numbers 9000001179 through 9000001192, totaling \$80,664.31

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 17, 2023, the Board, by a unanimous vote, approves payments, totaling \$68,001.26, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Warrant Numbers 102075 through 102088, totaling \$57,180.22 AP ACH through 9000002134, totaling \$10,821.04
Numbers 9000002125

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 17, 2023, the Board, by a unanimous vote, approves payments, totaling \$135,039.96, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants -

Public Warrant Numbers 102052 through 102073, totaling \$54,949.90 AP ACH Numbers 9000002071 through 9000002085, totaling \$80,090.06

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 17, 2023, the Board, by a unanimous vote, approves payments, totaling \$317,334.12, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Warrant Numbers 102074 through 102074, totaling \$950.99 Direct Deposit Numbers 9000002087 through 9000002124, totaling \$172,685.44

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 17, 2023, the Board, by a unanimous vote, approves payments, totaling \$2,322.65, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Direct Deposit Numbers 9000002037 through 9000002037, totaling \$1,494.93

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 17, 2023, the Board, by a unanimous vote, approves payments, totaling \$100,898.81, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Direct Deposit Numbers 9000002016 through 9000002029, totaling \$61,133.50

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board. As of October 17, 2023, the Board, by a unanimous vote, approves payments, totaling \$68,001.26, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document. Total by Payment Type: ACH/Warrants - Public Warrant Numbers 102075 through 102088, totaling \$57,180.22 AP ACH Numbers 9000002125 through 9000002134, totaling \$10,821.04

The board **VOTED** to approve the motion.

Roll Call

M. MASON Absent

Roll Call

E. Forde Absent
T. Marsh Aye
J. Thiel Aye
M. Sahoo Aye
V. Hsu Aye
R. Bembry Aye
M. Dyal Aye

C. Resolution Investment Strategies

J. Thiel made a motion to Approve.
M. Sahoo seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

R. Bembry Aye
E. Forde Absent
M. Dyal Aye
V. Hsu Aye
M. Sahoo Aye
T. Marsh Aye
M. MASON Absent
J. Thiel Aye

VI. Announcements

A. Upcoming Events and Announcements

Reviewed board training tracker

VII. 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 5:36 PM.

Respectfully Submitted,
V. Hsu

RVLA does not discriminate in any programs or activities on the basis of sex, race, creed, religion, color, national origin, age, veteran or military status, sexual orientation, gender expression, gender identity, disability, or the use of a trained dog guide or service animal and provides equal access to the Boy Scouts and other designated youth groups. The following employees have been designated to handle questions and complaints of alleged discrimination:

Civil Rights and Title IX Coordinator: Chastity Catchings, (206) 659-0956,
chastity.catchings@myrvla.org, 6020 Rainier Ave S, Seattle, WA 98118.

504 Coordinator: (RVLA): Chastiy Catchings, (206) 659-0956, chastity.catchings@myrvla.org,
6020 Rainier Avenue S, Seattle, WA 98118

**MINUTES OF November 28th, 2023 DIRECTORS OF
Rainier Valley Leadership Academy
A Washington State Nonprofit Corporation**

Date and Time

Tuesday October 24, 2023 at 4:30 PM

Rainier Valley Leadership Academy (RVLA) Board meetings are open to the public. This meeting will be virtual. Please use zoom link below:

Dial-in info: manual

(669) 900-6833

Meeting ID: 989-793-884

Dial in info: one-touch

669-900-6833,,989793884#

Videoconference link

<https://zoom.us/j/989793884>

In Person Option: 6020 Rainier Ave, Seattle, WA 98118

Directors Present

J. Thiel (remote), M. Dyal (remote), M. Sahoo (remote), R. Bembry (remote), T. Marsh, V. Hsu (remote)

Directors Absent

E. Forde, M. MASON

Directors who arrived after the meeting opened

T. Marsh

Guests Present

B. Coleman (remote), C. Catchings (remote), D. Watson (remote), Jenine Lewis, L. Reisberg (remote), Lenny Emperado (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

R. Bembry called a meeting of the board of directors of Rainier Valley Leadership Academy to order on Tuesday Oct 24, 2023 at 4:50 PM.

C. Public Comment

opened for public comment.
no public comment requested

II. Mission Challenge

A. Spotlight on a current challenge RVLA is facing.

highlighted opportunities to support RVLA staff/teachers

III. Mission Moment

A. Spotlight on a recent highlight for RVLA.

highlighted approval of federal school expansion funding

IV. Finance Update

A. Enrollment & Contingency Budget

T. Marsh arrived at 4:55 PM.
Reviewed 2022-2023 school year actual finances
Discussed enrollment & enrollment strategy

B. Investing Public Funds Update

V. Consent Agenda

A. Resolution September 26th, 2023 Board Meeting Minutes

J. Thiel made a motion to approve the minutes from Board of Directors Meeting on 09-26-23.

M. Sahoo seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

M. MASON Absent

E. Forde Absent

M. Dyal Aye

J. Thiel Aye

V. Hsu Aye

R. Bembry Aye

T. Marsh Aye

M. Sahoo Aye

B. Resolution for August & September 2023 Payroll & Claim Vouchers

J. Thiel made a motion to Approve.

M. Sahoo seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

T. Marsh Aye

E. Forde Absent

J. Thiel Aye

M. Dyal Aye

V. Hsu Aye

M. MASON Absent

M. Sahoo Aye

R. Bembry Aye

C. Resolution Investment Strategies

J. Thiel made a motion to Approve.

M. Sahoo seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

V. Hsu Aye

J. Thiel Aye

T. Marsh Aye

Roll Call

M. MASON Absent
M. Sahoo Aye
E. Forde Absent
M. Dyal Aye
R. Bemby Aye

VI. Announcements

A. Upcoming Events and Announcements

Reviewed board training tracker

VII. 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 5:36 PM.

Respectfully Submitted,
V. Hsu

RVLA does not discriminate in any programs or activities on the basis of sex, race, creed, religion, color, national origin, age, veteran or military status, sexual orientation, gender expression, gender identity, disability, or the use of a trained dog guide or service animal and provides equal access to the Boy Scouts and other designated youth groups. The following employees have been designated to handle questions and complaints of alleged discrimination:
Civil Rights and Title IX Coordinator: Chastity Catchings, (206) 659-0956, chastity.catchings@myrvla.org, 6020 Rainier Ave S, Seattle, WA 98118.
504 Coordinator: (RVLA): Chastiy Catchings, (206) 659-0956, chastity.catchings@myrvla.org, 6020 Rainier Avenue S, Seattle, WA 98118

Board Secretary

Date

ATTEST:

Board Chairperson

Date

Coversheet

Resolution October 2023 Payroll & Claim Vouchers

Section: III. Consent Agenda
Item: B. Resolution October 2023 Payroll & Claim Vouchers
Purpose: Vote
Submitted by:
Related Material: AP Check Summary Report with Board Certification 10.13.pdf
AP Check Summary Report with Board Certification 10.20.pdf
AP Check Summary Report with Board Certification 10.26.pdf
AP Check Summary Report with Board Certification 10.31.pdf
Payroll Check Summary with Board Certification 10.31.pdf
Resolution November 2023 Vouchers & Payments (1).pdf

AP Check Register

Accounts Payable Run: 10/13/2023

Rainier Valley Leadership Academy

BOARD CERTIFICATION STATEMENT

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board.

As of November 28, 2023, the Board, by a _____ vote, approves payments, totaling \$86,838.14, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document.

Total by Payment Type: ACH/Warrants - Public

Warrant Numbers 102091 through 102107, totaling \$33,113.10

AP ACH Numbers 9000002135 through 9000002151, totaling \$53,725.04

In addition to the Check Summary Report below, we have also reviewed the following related documentation:

Secretary _____ Board Member _____

This section returned no records

AP Check Register

Accounts Payable Run: 10/13/2023

Rainier Valley Leadership Academy

Accounts Payable Run: 20231013 A/P Checks

Run Type: R - Regular

| Payment Number | Payee | Net Payment Amount |
|----------------|--|--------------------|
| 102091 | Alexander, Oscar | \$10,450.00 |
| 102092 | Fofana, Abdurahman Junior | \$900.00 |
| 102093 | Fresh n' Local Foods | \$5,211.85 |
| 102094 | Intrigue Communications | \$204.91 |
| 102095 | Keith M Yanov Consulting | \$790.50 |
| 102096 | Lifetime Roofing | \$3,583.13 |
| 102097 | Mobile Mini | \$120.07 |
| 102098 | NEW ESD101 | \$150.00 |
| 102099 | Puget Sound Dispatch, LLC. | \$3,361.90 |
| 102100 | Ricoh USA, Inc. | \$3,030.85 |
| 102101 | Robert Half | \$1,782.90 |
| 102102 | Surin, Naeema | \$585.00 |
| 102103 | T Mobile 967493293 | \$25.92 |
| 102104 | Vargas, Javier | \$550.00 |
| 102105 | Washington School Information Processing Cooperative | \$1,057.17 |
| 102106 | Washington State Charters Schools Assoc. | \$875.00 |
| 102107 | Waste Management of Seattle | \$433.90 |
| 9000002135 | Amazon Capital Services | \$11.01 |
| 9000002136 | Amazon Capital Services | \$858.85 |
| 9000002137 | Amazon Capital Services | \$71.65 |
| 9000002138 | Amazon Capital Services | \$145.25 |
| 9000002139 | Amazon Capital Services | \$39.66 |
| 9000002140 | Amazon Capital Services | \$95.92 |
| 9000002141 | Amazon Capital Services | \$187.32 |
| 9000002142 | Amazon Capital Services | \$64.14 |
| 9000002143 | Amazon Capital Services | \$66.02 |
| 9000002144 | Amazon Capital Services | \$28.65 |
| 9000002145 | Amazon Capital Services | \$178.56 |

AP Check Register

Accounts Payable Run: 10/13/2023

Rainier Valley Leadership Academy

Accounts Payable Run: 20231013 A/P Checks

Run Type: R - Regular

| Payment Number | Payee | Net Payment Amount |
|----------------------|---------------------------------------|--------------------|
| 9000002146 | Bolton & Company | \$2,359.00 |
| 9000002147 | Copper Consulting LLC | \$319.50 |
| 9000002148 | ProCare Therapy | \$1,612.50 |
| 9000002149 | Reisberg, Leah Fudell | \$423.64 |
| 9000002150 | Thomas, Kimberly | \$1,260.00 |
| 9000002151 | Washington Charter School Development | \$46,003.37 |
| ACH Payments: | | 17 |
| Total: | | 34 |
| | | \$53,725.04 |
| | | \$86,838.14 |

AP Check Register

Accounts Payable Run: 10/13/2023

Rainier Valley Leadership Academy

Fund Summary

| <u>Fund</u> | <u>Balance Sheet</u> | <u>Revenue</u> | <u>Expense</u> | <u>Total</u> |
|-------------------|----------------------|----------------|----------------|--------------|
| 10 - General Fund | \$0.00 | \$0.00 | \$86,894.52 | \$86,894.52 |

AP Check Register

Accounts Payable Run: 10/20/2023

Rainier Valley Leadership Academy

BOARD CERTIFICATION STATEMENT

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board.

As of November 28, 2023, the Board, by a _____ vote, approves payments, totaling \$9,591.75, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document.

Total by Payment Type: ACH/Warrants - Public

Warrant Numbers 102108 through 102108, totaling \$9,591.75

In addition to the Check Summary Report below, we have also reviewed the following related documentation:

Secretary _____ Board Member _____

This section returned no records

AP Check Register

Accounts Payable Run: 10/20/2023

Rainier Valley Leadership Academy

Accounts Payable Run: 20231020 Espresso Outfitters

Run Type: R - Regular

| Payment Number | Payee | Net Payment Amount |
|----------------|---------------------|--------------------|
| 102108 | Espresso Outfitters | \$9,591.75 |
| Total: | | 1 |
| | | \$9,591.75 |

AP Check Register

Accounts Payable Run: 10/20/2023

Rainier Valley Leadership Academy

Fund Summary

| Fund | Balance Sheet | Revenue | Expense | Total |
|-------------------|---------------|---------|------------|------------|
| 10 - General Fund | \$0.00 | \$0.00 | \$9,591.75 | \$9,591.75 |

AP Check Register

Accounts Payable Run: 10/26/2023

Rainier Valley Leadership Academy

BOARD CERTIFICATION STATEMENT

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board.

As of November 28, 2023, the Board, by a _____ vote, approves payments, totaling \$4,558.00, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document.

Total by Payment Type: ACH/Warrants - Public

AP ACH Numbers 9000002152 through 9000002152, totaling \$4,558.00

In addition to the Check Summary Report below, we have also reviewed the following related documentation:

Secretary _____ Board Member _____

This section returned no records

AP Check Register

Accounts Payable Run: 10/26/2023

Rainier Valley Leadership Academy

Accounts Payable Run: 20231026 Inside Urban Deposit

Run Type: R - Regular

| Payment Number | Payee | Net Payment Amount |
|----------------------|--------------|--------------------------|
| 9000002152 | Inside Urban | \$4,558.00 |
| ACH Payments: | | 1 \$4,558.00 |
| Total: | | 1 \$4,558.00 |

AP Check Register

Accounts Payable Run: 10/26/2023

Rainier Valley Leadership Academy

Fund Summary

| <u>Fund</u> | <u>Balance Sheet</u> | <u>Revenue</u> | <u>Expense</u> | <u>Total</u> |
|-------------------|----------------------|----------------|----------------|--------------|
| 10 - General Fund | \$0.00 | \$0.00 | \$4,558.00 | \$4,558.00 |

AP Check Register

Accounts Payable Run: 10/31/2023

Rainier Valley Leadership Academy

BOARD CERTIFICATION STATEMENT

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board.

As of November 28, 2023, the Board, by a _____ vote, approves payments, totaling \$96,858.27, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document.

Total by Payment Type: ACH/Warrants - Public

Warrant Numbers 102109 through 102122, totaling \$84,549.81

AP ACH Numbers 9000002193 through 9000002212, totaling \$12,308.46

In addition to the Check Summary Report below, we have also reviewed the following related documentation:

Secretary _____ Board Member _____

This section returned no records

AP Check Register

Accounts Payable Run: 10/31/2023
Rainier Valley Leadership Academy
Accounts Payable Run: 20231031 A/P Checks
Run Type: R - Regular

| Payment Number | Payee | Net Payment Amount |
|----------------|------------------------------------|--------------------|
| 102109 | Alexander, Oscar | \$5,900.00 |
| 102110 | Astro Home Services LLC | \$5,181.75 |
| 102111 | City Of Seattle A/C 9905934520 | \$4,510.71 |
| 102112 | Fresh n' Local Foods | \$5,384.70 |
| 102113 | GTTC | \$275.00 |
| 102114 | Meridian Security & Electric, Inc. | \$148.84 |
| 102115 | Mobile Mini | \$120.07 |
| 102116 | NEW ESD101 | \$1,491.38 |
| 102117 | Robert Half | \$2,583.68 |
| 102118 | Saigon Printing | \$23.15 |
| 102119 | Seneca Family of Agencies | \$40,424.25 |
| 102120 | True Measure Collaborative | \$9,312.51 |
| 102121 | Valor Collegiate Academics | \$8,000.00 |
| 102122 | Waste Management of Seattle | \$1,193.77 |
| 9000002193 | Amazon Capital Services | \$373.33 |
| 9000002194 | Amazon Capital Services | \$395.35 |
| 9000002195 | Amazon Capital Services | \$52.90 |
| 9000002196 | Amazon Capital Services | \$119.00 |
| 9000002197 | Amazon Capital Services | \$223.51 |
| 9000002198 | Amazon Capital Services | \$162.40 |
| 9000002199 | Amazon Capital Services | \$1,029.08 |
| 9000002200 | Bolton & Company | \$2,359.00 |
| 9000002201 | Claxton, Courtney | \$311.15 |
| 9000002202 | Compukidz Worldwide | \$1,000.00 |
| 9000002203 | Eskandari, Parvin | \$77.78 |
| 9000002204 | GovConnection, Inc | \$1,101.56 |
| 9000002205 | GovConnection, Inc | \$1,068.65 |
| 9000002206 | Knock'em Out Fitness | \$875.00 |

AP Check Register

Accounts Payable Run: 10/31/2023

Rainier Valley Leadership Academy

Accounts Payable Run: 20231031 A/P Checks

Run Type: R - Regular

| Payment Number | Payee | Net Payment Amount |
|----------------------|------------------------|--------------------|
| 9000002207 | Spiegel, Benjamin | \$27.77 |
| 9000002208 | State Auditor's Office | \$1,601.25 |
| 9000002209 | Thomas, Angela | \$194.90 |
| 9000002210 | Thomas, Kimberly | \$1,260.00 |
| 9000002211 | Wallace, Kyle | \$20.70 |
| 9000002212 | Zoom | \$55.13 |
| ACH Payments: | | 20 |
| Total: | | 34 |
| | | \$12,308.46 |
| | | \$96,858.27 |

AP Check Register

Accounts Payable Run: 10/31/2023

Rainier Valley Leadership Academy

Fund Summary

| Fund | Balance Sheet | Revenue | Expense | Total |
|-------------------|---------------|-------------|-------------|-------------|
| 10 - General Fund | \$0.00 | -\$1,285.75 | \$98,144.02 | \$96,858.27 |

Payroll Check Summary

Payroll Run: 10/31/2023

Rainier Valley Leadership Academy

BOARD CERTIFICATION STATEMENT

Payments have been audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090. Those payments have been recorded on a listing which has been made available to the board.

As of November 28, 2023, the Board, by a _____ vote, approves payments, totaling \$338,107.48, and/or voids (cancellations), totaling \$0.00. The payments and/or voids are further identified in this document.

Total by Payment Type: ACH/Warrants - Public

Direct Deposit Numbers 9000002153 through 9000002192, totaling \$187,512.91

Secretary _____ Board Member _____

This section returned no records

Check Listing Summary

Payroll Run: 10/31/2023

| Check Number | Employee | Gross Pay | Deductions | Benefits | Net Pay |
|----------------|------------------------------|---------------------|--------------------|--------------------|---------------------|
| 9000002153 | Goodman, Kelley | \$6,841.09 | \$1,914.34 | \$2,444.19 | \$4,926.75 |
| 9000002154 | Ladd-Ali, Najee | \$4,858.84 | \$797.79 | \$980.17 | \$4,061.05 |
| 9000002155 | Thomas, Angela | \$9,444.05 | \$2,523.21 | \$3,042.04 | \$6,920.84 |
| 9000002156 | Allman, Ellah | \$3,382.31 | \$643.62 | \$1,701.09 | \$2,738.69 |
| 9000002157 | Bolar, Henry | \$5,670.53 | \$1,358.46 | \$1,984.87 | \$4,312.07 |
| 9000002158 | Cacanindin, Desiray | \$4,216.54 | \$784.01 | \$1,818.20 | \$3,432.53 |
| 9000002159 | Catchings, Chastity | \$13,305.17 | \$3,168.66 | \$2,867.86 | \$10,136.51 |
| 9000002160 | Catchings, Teanna | \$990.45 | \$32.35 | \$46.82 | \$958.10 |
| 9000002161 | Claxton, Courtney | \$5,701.08 | \$1,602.23 | \$2,318.13 | \$4,098.85 |
| 9000002162 | Coleman, Baionne | \$16,786.42 | \$4,025.85 | \$3,956.62 | \$12,760.57 |
| 9000002163 | Cove, Michelle | \$6,195.89 | \$1,601.80 | \$2,404.75 | \$4,594.09 |
| 9000002164 | Dube, Aster | \$3,889.68 | \$760.89 | \$1,773.57 | \$3,128.79 |
| 9000002165 | Eskandari, Parvin | \$2,212.40 | \$309.66 | \$224.92 | \$1,902.74 |
| 9000002166 | Harper, Beth | \$4,003.72 | \$692.13 | \$1,781.06 | \$3,311.59 |
| 9000002167 | Haynes, Leanard | \$9,198.42 | \$2,465.21 | \$2,814.97 | \$6,733.21 |
| 9000002168 | Holton, Amy | \$7,809.69 | \$2,394.35 | \$2,712.12 | \$5,415.34 |
| 9000002169 | Jenkins Jr, Henry A | \$6,246.17 | \$1,332.11 | \$2,118.67 | \$4,914.06 |
| 9000002170 | Jones, Chineka | \$7,782.00 | \$2,434.12 | \$2,616.08 | \$5,347.88 |
| 9000002171 | Jones, Taylor | \$5,539.58 | \$1,513.87 | \$2,275.60 | \$4,025.71 |
| 9000002172 | Knott, Neva | \$252.00 | \$23.21 | \$26.24 | \$228.79 |
| 9000002173 | Langit, Samantha | \$4,758.59 | \$1,295.06 | \$2,133.95 | \$3,463.53 |
| 9000002174 | Lewis, Janine | \$5,026.93 | \$904.24 | \$1,939.43 | \$4,122.69 |
| 9000002175 | Martinez-Garcia, Gabriela | \$2,750.10 | \$322.23 | \$1,689.51 | \$2,427.87 |
| 9000002176 | Madonna, Rebecca Anne | \$6,767.93 | \$2,767.00 | \$2,155.56 | \$4,000.93 |
| 9000002177 | Moon, Chanel R | \$6,907.80 | \$1,220.80 | \$2,542.49 | \$5,687.00 |
| 9000002178 | Reisberg, Leah Fudell | \$6,363.17 | \$1,565.17 | \$2,134.38 | \$4,798.00 |
| 9000002179 | Robinson-McClure, Jalen | \$5,426.38 | \$1,502.12 | \$2,264.83 | \$3,924.26 |
| 9000002180 | Shelton, Marlon | \$5,996.17 | \$1,554.83 | \$2,076.77 | \$4,441.34 |
| 9000002181 | Sherrod-Butler, Azlynn Monet | \$9,402.16 | \$2,983.62 | \$3,009.59 | \$6,418.54 |
| 9000002182 | Spiegel, Benjamin | \$5,215.00 | \$325.69 | \$214.39 | \$4,889.31 |
| 9000002183 | Taylor, Thomas | \$3,503.04 | \$654.09 | \$1,720.88 | \$2,848.95 |
| 9000002184 | Taylor-Mosquera, Jacob | \$5,426.38 | \$1,135.31 | \$2,266.97 | \$4,291.07 |
| 9000002185 | Thomas, Daxa | \$9,382.42 | \$2,024.17 | \$3,031.82 | \$7,358.25 |
| 9000002186 | Thomson-Lichty, Courtney | \$5,320.00 | \$1,437.46 | \$2,237.83 | \$3,882.54 |
| 9000002187 | Tirado, Jesus | \$9,956.67 | \$2,166.51 | \$2,450.64 | \$7,790.16 |
| 9000002188 | Uthus, John | \$7,971.69 | \$2,587.89 | \$2,739.66 | \$5,383.80 |
| 9000002189 | Wallace, Kyle | \$7,809.69 | \$2,032.90 | \$2,719.93 | \$5,776.79 |
| 9000002190 | Watson, David | \$11,372.08 | \$7,457.09 | \$3,191.64 | \$3,914.99 |
| 9000002191 | White, Levon | \$5,696.92 | \$1,621.98 | \$2,316.49 | \$4,074.94 |
| 9000002192 | Woodlief, Gerard | \$4,980.02 | \$910.23 | \$1,003.58 | \$4,069.79 |
| Totals: | | \$254,359.17 | \$66,846.26 | \$83,748.31 | \$187,512.91 |

**RESOLUTION OF THE BOARD OF DIRECTORS OF
RAINIER VALLEY LEADERSHIP ACADEMY
TO APPROVE OCTOBER 2023 CLAIM VOUCHERS AND PAYROLL PAYMENTS**

This Resolution is presented to the Board of Directors (“Board”) of Rainier Valley Leadership Academy (“RVLA”), a Washington nonprofit corporation, at a regular meeting on November 28th, 2023.

WHEREAS, each of RVLA’s Charter School Contracts with the Washington State Charter School Commission requires each school to comply with the Accounting Manual for School Districts in the State of Washington that is published by the Washington State Office of Superintendent of Public Instruction (the “Accounting Manual”);

WHEREAS, Chapter 3, Section “Voucher Certification and Approval”, requires “board of director approval for payment of claim vouchers and payroll” and the approval “should be recorded in the minutes of the board meeting”;

WHEREAS, to meet the conditions set forth in Chapter 3, Section “Voucher Certification and Approval”, the Board desires to approve payment of claim vouchers and payroll payments delineated below.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes RVLA to remit the following payments (these documents can also be found on the board agenda on Board on Track attached to the agenda):

- Payroll Check Summary with Board Certification 10.31.pdf
- AP Check Summary Report with Board Certification 10.31.pdf
- AP Check Summary Report with Board Certification 10.26.pdf
- AP Check Summary Report with Board Certification 10.20.pdf
- AP Check Summary Report with Board Certification 10.13.pdf

ADOPTED by the Board of Directors of Rainier Valley Leaders State during a regular meeting duly held on November 28th, 2023, at which a quorum was present.

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

docproperty
"DocID"

CERTIFIED AS A TRUE AND CORRECT COPY:

CERTIFIED: _____
Board Chairperson Date

Secretary Date

Coversheet

Resolution RVLA Accounting & Finance Policies & Procedures Handbook

| | |
|--------------------------|--|
| Section: | III. Consent Agenda |
| Item: | C. Resolution RVLA Accounting & Finance Policies & Procedures Handbook |
| Purpose: | Vote |
| Submitted by: | |
| Related Material: | 23-24 Finance and Accounting Policies and Procedures (1).pdf Accounting Finance Handbook 2023 Resolution.docx.pdf |



Finance & Accounting Policies and Procedures

SY 2023-24



| | |
|---|-----------|
| I. Policies | 5 |
| A. Compliance with Laws | 5 |
| B. Signing Authority | 5 |
| C. Security of Financial Data and Documents | 7 |
| D. Due Diligence | 7 |
| E. Periodic audits can be expected for: | 8 |
| F. Use of Assets | 8 |
| G. Credit Cards | 8 |
| H. Invoicing | 10 |
| I. Password Protocol and File Access | 10 |
| J. Acceptance of Personal Gifts | 11 |
| II. Financial Management | 11 |
| A. Basis of Accounting | 11 |
| B. Revenues | 12 |
| C. Expenses | 12 |
| D. Record Keeping | 12 |
| E. Timekeeping Policy | 12 |
| F. Chart of Accounts | 13 |
| G. Budget | 13 |
| H. Type, Sources, and Uses of Funds | 14 |
| Federal Awards – Allowable Costs | 15 |
| Grant Expense Tracking | 16 |
| I. Scholar Fees | 16 |
| J. Acceptable Use of Public Funds | 17 |
| Gifts of Public Funds | 18 |
| K. Audit Group | 19 |
| L. External Auditors | 19 |
| M. Audit Requirements | 19 |
| III. Policies Related to Assets, Liabilities, and Net Assets | 20 |
| A. Bank Accounts | 20 |



| | |
|--|-----------|
| B. Deposits | 20 |
| C. Outstanding Check Policy | 21 |
| D. Donations and Fundraising | 22 |
| E. Donation of Assets | 23 |
| F. Petty Cash | 24 |
| G. Liability for Compensated Absences | 24 |
| H. Unused Sick Time Policy | 25 |
| I. Prepaid Expenses | 25 |
| J. Accounts Payable Monthly Expense Accrual Policy | 26 |
| K. Raffles | 26 |
| L. Prizes and Awards | 26 |
| O. Scholarships | 27 |
| Q. School Site Fundraising | 28 |
| R. State Sales and Use Tax Compliance | 29 |
| IV. Cost Accounting Policies | 29 |
| A. Cost Accounting Period | 29 |
| B. Year Zero Organizational and Start-up Costs | 29 |
| V. Property Management | 30 |
| A. Capital Expenditures | 30 |
| Classification & Thresholds | 31 |
| B. Disposition of Capital Assets | 38 |
| VI. Procurement | 39 |
| A. Centralized Purchasing and Preferred Vendor List | 39 |
| D. General Procurement Policies & Procedures | 45 |
| VII. Payroll and Travel Policies | 50 |
| A. Payroll | 50 |
| B. Expense and Travel Reimbursement | 55 |
| VIII. Consultants and Independent Contractors | 61 |
| A. Independent Contractors | 61 |



Draft



I. Policies

A. Compliance with Laws

- a. Rainier Valley Leadership Academy (RVLA) will follow all the relevant laws and regulations that govern charter schools within the State of Washington. Additionally, U.S. laws and regulations that relate to grant funding will be complied with as the grant funding is received. The Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (commonly called "Uniform Guidance") was officially implemented in December 2014. The Uniform Guidance – a "government-wide framework for grants management" – synthesizes and supersedes guidance from earlier OMB circulars. Sections of the Uniform Guidance will be referenced throughout this policy with the appropriate Code of Federal Regulations ("CFR").

B. Signing Authority

Only specific employees are authorized to financially encumber and make representations on behalf of RVLA. Those employees are responsible for making authorizations in accordance with policies applicable to the specific item being authorized. Categories of financial encumbrances include:

1. Purchase Orders/Invoices;
2. Expense Reimbursements;
3. RVLA Credit Card Transactions;
4. Service Contracts (require legal and procurement review prior to execution);
5. Loans (require legal and finance department review prior to execution); and
6. Lease Agreements (require legal and finance department review prior to execution).

Other types of documents requiring a signature may indirectly encumber the organization financially and should be reviewed by the legal and finance departments if there is any uncertainty. The limits in the chart below refer to amounts for each encumbrance and align with RVLA's board-approved procurement policy. For example, if a contract encumbers the organization over 5 years for \$12,000/year, the total amount is above \$50,000, thus requiring a signature from the CEO.



| Position | Limits: Purchase Orders/Invoices, Expense Reimbursements, RVLA Credit Card Transactions | Limits: Service Contracts, Lease Agreements |
|-----------------------------|---|---|
| Board of Directors-Chair(s) | \$100,00 and above | \$100,00 and above |
| CEO | Less than \$100,000** | Less than \$100,000** |
| CFOO | Less than \$50,000* | Less than \$50,000* |
| Principal | Less than \$5,000 | Less than \$5,000 |

*Requires a minimum of two (2) quotes or proposals obtained from qualified sources for goods and services greater than \$10,000 and less than \$50,000.

**Requires a minimum of three (3) quotes or proposals obtained from qualified sources for goods and services greater than \$50,000 and less than \$150,000; \$150,000 and above requires comprehensive requests for proposals that include clear, accurate descriptions of goods and/or services solicited, proposals must be publicized, and a formal method for their evaluation and selection must be followed for more than \$150,000.

All grant applications and agreements must be signed by the CEO.

Checks

Accounts Payable checks shall be authorized by the CEO/President of the Board

ACH Payments and Bank Transfers

All ACH payments and bank transfers can only be processed after the appropriate position has approved the transfer (i.e. executed contract). Only Accounts Payable/Payroll can initiate an ACH payment or bank transfer. The CFO is the second authorization and approval that allows these transactions to be completed by the bank. All ACH payments and bank transfer require dual authorization with the initiator counting as first authorization.

The general checking account shall be reconciled monthly by the Educational Service District, reviewed by the CFOO and approved by the CEO or board chair who does not



have the ability to approve expenses or disburse funds from the account. The monthly bank transactions shall be reviewed and approved by the board or a representative of the board who is not an authorized approver of expenses or signer on the account. Authorized signatories to the savings account shall be the Board Chair and Chief Executive Officer.

Employment Contracts

All employment contracts can only be signed by the CEO/CFO/Board Chair/Principal (as a designee when the CEO/CFO are unavailable.) Employees who are not authorized to encumber and make representations on behalf of Rainier Valley Leadership Academy who nevertheless do so may be subject to disciplinary action, up to and including termination.

C. Security of Financial Data and Documents

RVLA accounting software (Skyward Qmlativ) should be reviewed to ensure that general and application controls to unauthorized access to data is precluded (i.e., proper password protection and authorizations for inquiry or browse-only functions.).

The system's accounting data must be backed up daily to ensure the recoverability of financial information in case of hardware failure. The back-up is automatically performed off-site and is the responsibility of Northwest Educational Service District (ESD 101.)

All other financial data, collected cash and checks, unused checks, and unclaimed checks must be secured by the school-site Dean of Operations from unauthorized access.

Originals of the following corporate documents are maintained and their presence is verified on a periodic basis:

1. Charters and all related amendments
2. RVLA bylaws
3. Minutes of Board of Directors and Subcommittee Meetings
4. Banking agreements
5. Leases or rental agreements
6. Insurance policies
7. Vendor invoices
8. Grant and contract agreements



9. Fixed asset inventory list
10. Contract and grant billings
11. Financing agreements and debt payment schedules

D. Due Diligence

Rainier Valley Leadership Academy , in recognition of its fiduciary responsibilities, will periodically perform audits and reviews of its processes and departments'/schools'/employees' compliance with these policies.

E. Periodic audits can be expected for:

- Accounts Payable
- Accounts Receivable
- Attendance Reporting
- Construction Expenditures
- Consulting Services
- Corporate Credit Card Charges
- Deposits
- Expense Reports Reimbursements
- Fundraising
- Meal Reporting
- Mileage Reimbursement Claim
- Payroll
- Purchasing
- Restriction of Funds Usage Compliance
 - Federal Restricted Funds
 - State Restricted Funds
 - Private Contract and Grants Funds
- Tax Compliance
- Use of Preferred Vendors



F. Use of Assets

RVLA employees should not use any of the organization's assets for personal use without the prior written approval of the employee's manager, as appropriate.

G. Credit Cards

Credit cards will be issued only with the formal approval of the employee's manager and RVLA's Chief Financial Officer, with proper justification. The issuance of a credit card and the justification thereof should be based on functional considerations of transactional frequency. The cost/benefit to RVLA should be fully reviewed to ensure that no other method of payment is appropriate. Credit cards that are issued will be assigned to a specific RVLA employee and should be used only for business-related expenditures. The employee is expected to use it for all travel and expense purchases and is discouraged from using personal credit cards for business-related expenditures.

On an annual basis, the Finance and Accounting Department will review the list of cardholders to re-evaluate the need for each cardholder in the coming year. When the employee transfers to a different company or position, the cardholder will surrender his or her card.

Request for temporary credit limit increase may be approved at the discretion of the Chief Financial Officer, with appropriate justification for the increase. Request will be in writing with the cardholder's supervisor's approval.

The cardholder is responsible for all charges on their card, including charges made by others allowed to use the card. Therefore, RVLA strongly discourages cardholders from allowing others to use their card.

All RVLA credit card charges must be supported by itemized receipts which detail the items purchased and reflect the amount of sales/use tax paid to the vendor. A list of attendees and specific business purposes must also be included. If the expenditure is for professional development, an agenda must be provided. Additionally, employees are required to reconcile their credit card statements to receipts by the 5th of the month. The supervisor must approve credit card expense reports by the 10th of the month. A complete reconciliation must include the month's statement and receipts for all transactions. Failure to provide completed reconciliation for a month will result in suspension of a cardholder's credit



privileges.

If a cardholder is unable to provide receipts to support every charge, the expense will be considered personal and the cardholder must submit payment with the credit card reconciliation. Unpaid personal expenses will result in suspension of card privileges until the personal balance is paid in full. If the cardholder fails to produce receipts in three (3) or more instances, the cardholder's credit privileges will be revoked permanently.

Cardholders shall avoid using their RVLA credit card for personal purchases. Improper use of a RVLA-issued credit card will result in disciplinary action, up to and including termination.

Refer to the Credit Card Program Reference Manual for detailed information on credit card procedures.

H. Invoicing

Any invoice sent to an individual or business on behalf of RVLA must be prepared and sent from the Finance and Accounting Department in order to ensure accuracy of billing and the most up-to-date invoice template is used.

Invoices must be reviewed by the CFO before being sent.
Invoices must be saved in the form of a PDF document only.

I. Password Protocol and File Access

While protecting files serves a valuable purpose, in a sudden or prolonged absence (e.g., illness or emergency), RVLA needs to ensure work can continue for the remaining team members.

Therefore, Finance & Accounting employees who have password-protected files (such as Excel) or have passwords for systems for which they are the sole administrator (such as PayPal, Dropbox, or Bank of America account) must provide their manager with the passwords, file names, and login information. Before updating an existing password, employees must



inform their manager of the proposed change as well as the new password to be used.

This policy shall also apply to login information for government reporting purposes or website that you have created on behalf of RVLA.

The policy does not apply to login information for the computer/network or Skyward Qmlativ.

J. Acceptance of Personal Gifts

No employee may solicit or accept gifts of significant value, lavish entertainment or other benefits from students, parents, donors, vendors, and other stakeholders. Special care must be taken to avoid even the impression of a conflict of interest. Employees are not allowed to accept any gift which would cause the cumulative amount of gifts from an individual source to exceed \$250 during any calendar year, or applicable local/state law, whichever is deemed lesser. If an employee is unsure if a gift will violate this policy, please consult a supervisor or CFO.

The term "gift" does not include:

- Meals provided to RVLA staff at an event at which an official speaks, participates in a seminar or similar activity, or provides a similar service.
- Reimbursement of travel expenses and meals paid for by a local, state, federal or foreign government agency.
- Payment for travel expenses from a nonprofit organization of which RVLA is a member.

II. Financial Management

A. Basis of Accounting

Rainier Valley Leadership Academy will maintain its accounting records and related financial reports on the modified accrual basis of accounting. The consolidated financial statements will be prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).



B. Revenues

Under the accrual basis of accounting, revenues are recognized when earned, consistent with GAAP applicable to special purpose governmental units. Note that cash basis accounting may be deemed appropriate in accordance with GAAP.

C. Expenses

Under the accrual basis of accounting, expenses are recognized when services are performed or goods are received.

D. Record Keeping

To provide an accurate and auditable record of all financial transactions, Rainier Valley Leadership Academy books, records and accounts are maintained in conformity with GAAP as required by State statutes applicable to charter schools.

Further, Rainier Valley Leadership Academy specifically requires that:

- No funds or accounts may be established or maintained for purposes that are not fully and accurately described within the books and records of the school.
- Receipts and disbursements must be fully and accurately described in the books and records of the subject school.
- No false entries may be made on the books or records nor any false or misleading reports issued.
- Payments may be made only to the contracting party and only for the actual services rendered or products delivered. No false or fictitious invoices may be paid.

E. Timekeeping Policy

When allocating salaries to Federal, State, and Private grants or awards, Rainier Valley Leadership Academy will use the employee's monthly percentage of effort as a reasonable



allocation base and follow the Federal Uniform Guidance (“OMB Circular”) as well as any other guidance required to be followed by each individual grant or award. The monthly time certification will be signed off on a monthly (but no more than a semester) basis by both the employee and their direct supervisor. In the event of employee termination, leave of absence, or other event that prevents the employee from executing their effort certification, the certification will be signed by the employee’s supervisor or grant manager.

If an employee’s salary is allocated one-hundred percent to a single award or Rainier Valley Leadership Academy cost objective, that employee only needs to complete a semi-annual certification confirming that they spent one-hundred percent of their time on the specified award or Rainier Valley Leadership Academy cost objective. The use of semi-annual certification will be optional depending on the grant or award and its objectives; otherwise, a monthly certification will be completed.

Employees allocated to restricted funds are trained on how to complete an Effort Certification and the purpose of Effort Certifications. Employees are also trained on how to complete the paper form Personnel Activity Report (“PAR”), as needed. Employee(s) are trained as soon as official notices of award and/or approved budget(s) are received by Rainier Valley Leadership Academy.

Any corrections to certified and submitted Effort Certifications needed after the payroll period and/or accounting period have been closed will be made through the use of PAR forms. The PAR will be signed in the same manner as Effort Certifications processed. In compliance with the Fair Labor Standards Act (FLSA), hourly employees must complete a report indicating the total number of hours worked each day.

F. Chart of Accounts

Rainier Valley Leadership Academy’s Chart of Accounts was developed to conform to the Accounting Manual for Public Schools Districts in the State of Washington and the Washington Commission.



G. Budget

School-level and Home Office/District department-level budgeting is a collaborative effort between Home Office/District and schools. Rainier Valley Leadership Academy prepares an annual operating budget of revenues and expenses, five year projections, and cash flow projections. These budgets and projections are reviewed and approved by the Board of Directors on an annual basis in June (final approved no later than August annually) and modified in October after the first reporting cycle of the academic school year in order to adjust for actual student enrollment.

As part of the budgeting process, Rainier Valley Leadership Academy considers the training needs of classified school employees whenever funds are budgeted for the professional development of any school site staff. This is to ensure the appropriate scaling of support and growth of our classified staff alongside the teaching staff.

The management team, the Finance Group of the Board of Directors, and the Board of Directors review financial statements on a quarterly basis, typically within 45 days after the end of the quarter.

H. Type, Sources, and Uses of Funds

Rainier Valley Leadership Academy maintains a firm commitment to ensure that funds are used only for their intended purpose in accordance with all applicable laws, regulations, and donor requirements. Furthermore, Rainier Valley Leadership Academy will ensure that funds are sufficiently segregated to provide for an appropriate level of visibility and internal control.

For example:

Funds received from Federal, State, and local sources will be used only as specified in the applicable directives.

Funds received from donors will only be used in strict accordance with the donor's wishes.

Funds raised by school-sites either through activities or student events will only be used in fulfillment of the commitment(s) made as to the purpose of these



fundraising activities.

Federal Awards – Allowable Costs

Except where otherwise authorized by statute, costs related to federal awards must meet the following general criteria in order to be allowable under Federal awards (2 CFR §200.403):
Be necessary and reasonable for the performance of the Federal award and be allowable thereto under these principles.

Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.

Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

Be determined in accordance with GAAP, except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.

Be adequately documented.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal

Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise (2 CFR §200.410).



Grant Expense Tracking

In order to ensure efficiency in Rainier Valley Leadership Academy's accountability and internal control procedures that meet the requirements of funding agents such as federal, state, local, and private agencies; a minimum award amount of \$100,000 will be required in order for the Accounting team to "tag" and track revenue and expenses within Rainier Valley Leadership Academy's general ledger. The "tagging" process is one in which expenses incurred and paid with grant funds are coded with the respective general ledger codes. Other criteria will also be considered to determine adequate tagging and tracking of grants. These criteria include funding agent imposed restrictions, reporting of grant expenses to funding agents based on budget versus actual, and fiscal monitoring by funding agent.

Grants that are less than \$50,000 and that do not meet the criteria mentioned above will be informally tracked by the respective Rainier Valley Leadership Academy department and/or Program Manager, if assigned, that is the beneficiary of the award. The Finance and Accounting Team may provide support to said department or Program Manager to develop an informal tracking process but will not track the expense.

From time to time exceptions to the \$100,000 grant minimum may be made based on the specific grant requirements from the funding agent. Exceptions will also be considered if multiple individual grants that support a single or common purpose sum to \$100,000 or more in aggregate and meet the criteria mentioned in the previous paragraph.

Exceptions to grant expense tagging and tracking will also be made for grants that are \$100,000 or more but have no specified requirements. Revenue and expense for these grants that are void of specific requirements will not be tagged or tracked using general ledger coding.

I. Scholar Fees

RVLA is not authorized to charge a general tuition fee for attendance at its publicly maintained elementary or secondary schools (kindergarten through twelfth grade) and may not charge any special fees for attendance at particular courses offered within such publicly maintained K-12 programs.

RVLA may provide free use of textbooks or other materials and supplies to all of its students. If it does not provide free use of textbooks or other materials and supplies it may require these



items be purchased by, or for, the students at bookstores or other commercial retail outlets; however, it cannot require students to purchase such textbooks or other materials and supplies from RVLA itself.

If RVLA loans free textbooks or other materials and supplies to its students, it may charge a refundable deposit fee to cover possible loss or damage.

RVLA is authorized to operate lunchrooms and to charge for lunches sold therein.

RVLA may request voluntary field trip fees to help subsidize the transportation, admission or general costs of a field trip. However, to the extent that the student's participation in the educational activity or project is legally required, parents/students must be notified the payment is voluntary and students shall not be denied participation based on his or her inability to pay the voluntary fee.

A fine may be imposed for the cost of replacing materials or property which are lost or damaged due to negligence.

Students desiring to participate in an optional graduation ceremony or to obtain an optional class picture or acquire an optional yearbook may be required to rent a cap and gown to be worn in such ceremony or to pay for these other items.

Schools may establish and collect a reasonable fee from students and nonstudents as a condition to their attendance at optional noncredit extracurricular events that are of a cultural, social, recreational or athletic nature. However, the school must waive or reduce said fees in the case of students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees.

J. Acceptable Use of Public Funds

The term "public funds" is not limited to money, but includes anything of value belonging to a public agency such as equipment, supplies, compensated staff time, and use of telephones, computers, fax machines, and other equipment and resources.



Due to the receipt of public funds from various public sources, there is increased scrutiny over Rainier Valley Leadership Academy's use of public funds. Rainier Valley Leadership Academy adheres to applicable laws regarding the use of public funds. Private funds comingled with public funds are considered public funds and must be spent in accordance with applicable law regarding allowable use of public funds.

Gifts of Public Funds

Using public funds for gifts of a personal nature is not allowed because they confer a tangible benefit to an individual. Except as explained below, gift certificates, flowers, and candy are most often viewed as personal as opposed to public in character and, therefore, should not be purchased by Rainier Valley Leadership Academy employees. Gift certificates or gift cards are characterized as gifts of public funds and, therefore, are not allowed, except when purchasing gas cards for students designated as homeless under the McKinney Vento Act. However, gift certificates and gift cards originating directly from a donation from external vendors or individual contributors can be transferred by Rainier Valley Leadership Academy administrators to employees for various organizational purposes. The employee is responsible for ensuring that the gift or benefit received is in accordance with the "Acceptance of Personal Gifts" section of this policy.

Staff appreciation meals are considered a gift of public funds and, therefore, not allowed due to the fact that staff appreciation meals do not serve a direct and/or substantial public purpose. Note that meals served at professional development trainings are allowable. Employees must provide appropriate support or proof that a professional development session took place. Appropriate support includes, but is not limited to, an agenda, a brief description of the session, and a list of participants.

Flowers may be used for awards ceremonies or as decorations for public events.

Additionally, Rainier Valley Leadership Academy's funds shall not be used for donations to nonprofit organizations or students/families in need because they are considered a gift of public funds, no matter how worthy the cause. Rainier Valley Leadership Academy's tax identification numbers allow donations to the schools to be tax deductible, but once the funds are received,



they are commingled with other monies received for a variety of purposes. Sending a portion of the funds to another nonprofit agency constitutes a gift of public funds.

In general, fundraising that occurs should be for the benefit of the school and not for other organizations. However, a group of students or employees may organize a fundraiser to support a charity as long as the event is clearly identified as raising funds for that charity. All donations not going to Rainier Valley Leadership Academy should be in the form of checks made payable to the charity and should be picked up by, or delivered to, the charity so that funds are not deposited into the Rainier Valley Leadership Academy bank account (note—such donations are also not eligible for a tax exemption letter provided by Rainier Valley Leadership Academy as Rainier Valley Leadership Academy is not the recipient.) Rainier Valley Leadership Academy resources should not be utilized to support outside charity and funds cannot flow through Rainier Valley Leadership Academy .

K. Audit Group

The Audit Group is a subgroup of the Board of Directors and is charged with overseeing the audit process, recommending the approval of the audited financials to the Board of Directors and screening and selecting Rainier Valley Leadership Academy 's auditors.

L. External Auditors

Rainier Valley Leadership Academy's external auditors from a public accounting firm must be approved by the Audit Group of the Board of Directors and hold appropriate certifications. The external auditor's contract can be either annual or multi year but at a minimum, must be reviewed annually.

M. Audit Requirements

An annual fiscal audit shall be performed by an independent CPA firm, and shall include, but not be limited to:

1. An audit of the accuracy of Rainier Valley Leadership Academy 's financial statements;



2. An audit of Rainier Valley Leadership Academy 's attendance accounting and revenue claims practices;
3. An audit of Rainier Valley Leadership Academy 's internal controls practices; and
4. Rainier Valley Leadership Academy is also subject to a single or program specific audit conducted for the fiscal year if federal award expenditures exceed \$750,000 in a fiscal year.

Prior to submission, the completed audit report shall be reviewed by Rainier Valley Leadership Academy 's Audit Group and Board of Directors. The approved audit report will be submitted to the charter-granting agencies, and the Washington State Office of Superintendent of Public Instruction (OSPI) prior to the last day of February following the close of the fiscal year.

III. Policies Related to Assets, Liabilities, and Net Assets

A. Bank Accounts

All bank accounts will be established in strict accordance with RVLVA bylaws and the terms and conditions agreed to with the hosting financial institution.

At a minimum, RVLVA will maintain the following:

- A **Non-Public Funds** Checking Account into which all non-payroll related deposits and disbursements will be made. Note that fundraising derived by the Home Office/District Office Departments are deposited into this account.
- A **Public Funds** Checking Account which all payroll and accounts payables for public funds use

B. Deposits

School site Dean of Operations or Office Coordinators/Managers receive cash or checks from teachers, fundraising, parents, and other sources (i.e., cheerleading, soccer, class trips,



uniforms, lunches, yearbooks, and donations). Checks collected must specify purpose, date, and amount of the payment. Payments must be evidenced by a receipt. A log of payments is acceptable under certain circumstance when giving an individual a receipt is not feasible (i.e., small dollar amounts for snack items). Verification as to the accuracy of funds received and recorded must be evidenced by the Dean of Operations and the person responsible for accepting the funds (i.e., program manager, teacher or office assistant) by making an entry in the Receipt Log. Funds must be kept in a secure location at the school site until the scheduled pick-up/drop-off occurs. Deposit records must be emailed to the ESD Business Manager immediately after completion of the deposit. Unless there was no money collected, there should be at least one deposit per week. If a deposit does not occur during the week, then this fact should be communicated to Chief Finance and Operations Officer via email. Back-up documentation must be kept at the school site.

All money should be deposited weekly on a regular drop off and predictable day unless arrangements for an armored transport service are in effect. Home Office/District and school sites must deposit all money before spring, summer and winter breaks. Requests to cancel or change regular deposit pick-ups should be communicated and approved by the CFOO prior to the pickup being changed. Checks must be deposited within one week of the receipt of the check.

C. Outstanding Check Policy

RVLA writes approximately 1,000 checks per year. For one reason or another, some checks do not clear the bank. The check may be lost, stolen, destroyed, or just not presented by the payee for payment. Checks that have been written but have not cleared the bank are called outstanding checks.

Each month, RVLA obtains a printout of outstanding checks on the payroll and Accounts Payable accounts. The printout lists each outstanding check in check number order and will include the date the check was issued, the amount of the check and the payee. RVLA makes a concerted effort to resolve all checks outstanding for at least 90 days. A form letter will be sent to the vendor or payee asking if they have received the check and what further action will be taken. A re-issuing of the check may occur if the check is reported lost or stale-dated; otherwise, the payee is encouraged to cash the active check within 90 days of the check-issuance date. If no response is received within 30 days of the initial notification, a stop payment will be placed on the outstanding check and the payment will be written off.



D. Donations and Fundraising

In keeping with RVLA's tax-exempt status, RVLA's Development Department focuses on grant writing and fundraising for RVLA and its schools. However, RVLA encourages schools and employees to obtain additional monetary and non-monetary donations through individual grants, personal relationships, and fundraising events which will benefit the school and organization.

Employees should check with their supervisor or department head prior to soliciting any donations or setting up any fundraisers to ensure compliance with local, state, and federal laws as well as RVLA internal policies. Prospective donations from large organizations or individuals should be coordinated with RVLA's Development Department prior to pursuing the donation.

A myriad of laws and regulations governing donations to charitable organizations as well as rules related to using funds only in strict accordance with the donor's wishes require the following:

- Solicitations of donations including school-site fundraising must be explicit as to the purpose(s) for which the funds are being sought.
- Donations exceeding \$25 must be acknowledged in writing, and will be done so with RVLA's Development department.
- Under rare, applicable circumstances, separate restricted accounts will be required to ensure that donor funds are handled appropriately.
- All donor funds will be promptly recorded and then deposited into the applicable bank account.
- Employees responsible for monitoring donor funds will ensure that the funds are used strictly in accordance with the donor's understanding as to why the funds were raised and/or any specific written restrictions.
- Once a restriction has been fulfilled, any remaining funds will be returned to the donor(s), if required, or transferred to unrestricted funds for use in the support of RVLA' mission.

If a potential donor wishes to make a financial gift to RVLA, please check with your school principal and/or direct the donor to the RVLA's Development Department. Donors should be reminded that to protect the deductibility of their contributions, the appropriate RVLA entity should be listed as the recipient of the funds rather than the individual school, if applicable. RVLA will ensure that all donations earmarked for an individual school will be restricted to the specified use by the named school(s).



Rainier Valley Leadership Academy (FEIN: 46-4128856);

All payments should be made payable to Rainier Valley Leadership Academy. If the donation is for a specific school, the school to receive credit for the funds should be noted elsewhere on the documents (e.g., the memo area of the check) to ensure the donation is earmarked for the individual school and will be restricted to the specified use by the named school(s).

E. Donation of Assets

RVLA recognizes the value of donated goods that may be offered on a sporadic basis without charge to the organization. All donated goods must be related to an educational function and must be approved by the Principal or RVLA Department Head.

Acceptance of Goods:

- A description of the goods, including the value and contact information for the donor must be provided to RVLA's Finance and Accounting Department upon acceptance.
- Technology equipment must meet the standards comparable to those already established by RVLA. Please contact the RVLA technology department prior to accepting any technology goods.
- Goods that will be attached to the building or grounds must be assessed by a member of the RVLA Operations team prior to acceptance. These goods may create ongoing costs, therefore, a thorough evaluation of such costs should be completed prior to acceptance (i.e., installation, electricity, maintenance).
- Acceptance of goods shall be made without any reciprocating commitment by any employee on behalf of RVLA.
- RVLA may request evidence of ownership of any good prior to acceptance.
- All goods donated shall be accepted solely for benefit of students and not for any salary, benefit and/or stipend.

Use of Goods:

All donated goods shall be considered the property of RVLA. Employees who receive donated goods must leave those items with the school if they leave RVLA, unless otherwise stated, in writing, by the donor. Such instructions must be provided at the time of donation.

RVLA will not perform an appraisal and will not place any value for donated goods on behalf of the donor. The donor shall be responsible for obtaining their own appraisals for tax purposes, along with any fees or other expenses that may be related to such an appraisal.



RVLA may decline an offer for goods if it is deemed not to be in the best interest of RVLA. Such a decline may include, but is not limited to:

- Technology or other goods that do not meet the RVLA required minimum standards; An offer that would initiate an additional expense for service or ongoing maintenance; or
- An offer that would create unreasonable inequity to a specific segment of the student population.

Any uncertainty as to whether a donated good falls under the acceptable RVLA policy should be directed toward the applicable RVLA department head or the RVLA Finance and Accounting Department.

F. Petty Cash

Since the Principals at each school site have a credit card for school supplies, expenses, and unforeseen costs, petty cash funds are no longer necessary at the school sites.

G. Liability for Compensated Absences

Compensated absences arise from employees' vacation leave or other designated circumstances. While RVLA expects to pay an employee for such compensated absences, a liability for the estimated probable future payments is accrued if all of the following conditions are met:

- The employee's right to receive compensation for the future absences is attributable to services already performed by the employee;
- The employee's right to receive the compensation for the future absences is vested or accumulated;
- It is probable that the compensation will be paid; and
- The amount of compensation is reasonably estimable.

Compensated absences not required to be paid upon employee termination are only recorded when paid.



H. Unused Sick Time Policy

Please refer to the Employee Handbook for sick leave charts. Sick leave can be accumulated without limit, and is not paid out upon separation from employment. Pay stubs shall display the total balance of an employee's accumulated sick leave hours.

Employees who are eligible to participate in a state-sponsored pension with RVLA shall be entitled to transfer sick leave accrued from previous employment in a school district, charter school or public school within the same state while participating in a state pension so long as the sick leave is verified appropriately by the prior employer. Please see RVLA's Human Resources Department for the "Transfer of Accumulated Sick Leave" form.

Per Government Accounting Standards Board ("GASB") Statement 16 and Accounting Standards Codification ("ASC") 710-10-25-1, unused sick time is not a recordable liability, particularly due to the fact that there will be no payment at any time. Therefore, RVLA will not record unused sick time accrued by certificated staff in the general ledger. The tracking of these hours by the Human Resources Department will be considered sufficient.

This policy does not apply to **year round** Classified or Certificated employees who accrue for paid time-off ("PTO") which is to be used for vacation. Year round Certificated and Classified employees accrue sick time off leave. Unused PTO balances are accrued in the general ledger. Refer to the Employee Handbook for the restriction concerning the limit of accrued PTO hours allowed.

I. Prepaid Expenses

RVLA has adopted a \$5,000 threshold for prepaid expenses that occur within the same fiscal year. This means if an expense is under \$5,000 and it is for an event that will occur in the future months but within the same fiscal year as the closing period, it will be booked to an expense account, not a prepaid expense account, which is an asset account. Note that this threshold does not apply to year-end accrual procedures.

This accounting treatment applies to prepaid journal entry, credit card entry, bank entry, and accounts payable.

Exception:



The threshold does not apply to the prepaid expense items where expenses will take place in the next fiscal year. Therefore, it is critical to include in the entry description when the event will take place to ensure appropriate booking to the correct fiscal period.

J. Accounts Payable Monthly Expense Accrual Policy

RVLA has adopted a \$5,000 threshold for accounts payable monthly expense accruals. On a monthly basis, the Accounting Department will accrue accounts payable invoices received or paid after the month-end closing date whose services have been rendered or goods have been received by RVLA in the closing period.

K. Raffles

Legal requirements must be followed when conducting raffles to avoid any appearance of gambling. Students shall not be barred from an event or activity because they did not participate in the raffle. Potential donors, including parents/guardians and community stakeholders, should not be unduly pressured to contribute to RVLA or its schools. Staff is expected to emphasize the fact that donations are always voluntary.

RVLA may conduct raffles to raise funds for beneficial or charitable purposes in the state subject to the rules outlined in Washington Administrative Code Section 230-11 et seq. RVLA may offer two unlicensed raffles to the public each year, if the combined gross revenue from the two raffles does not exceed \$5,000 in a calendar year. If the limits are exceeded, you will need to apply for a raffle license. If any employee desires to organize a RVLA sponsored raffle, please contact RVLA's Finance and Accounting Department in advance for more information to comply with applicable laws.

L. Prizes and Awards

Students: To recognize student achievement, prizes and awards may be issued. Prizes and awards are gifts of tangible personal property presented to students in recognition of outstanding achievement in academic performance or other performance-related activities that involve a skill rather than luck and are part of the educational experience. The prize or award cannot be cash or a cash equivalent (e.g., gift cards).



Employees: Awards may be issued to recognize employee achievement. An employee achievement award is an item of tangible personal property that must be awarded as part of a meaningful presentation. The prize or award cannot be cash or a cash equivalent. The award should be of a de minimis nature with a value of less than \$200 per employee and provided infrequently. On an annual basis, employee achievement awards may not exceed \$400 per employee. The purpose and description of the prize/award must be provided during the purchasing and payment process. Since monetary prizes and awards are not allowed, gift cards may not be purchased.

To award employees for exceptional contribution, RVLA must find that the employee did one (1) or more of the following:

- Proposed procedures or ideas that thereafter are adopted and effectuated, and that resulted in eliminating or reducing expenditures or improving operations.
- Performed special acts or special services in the public interest.
- By their superior accomplishments, made exceptional contributions to the efficiency, economy, or other improvement in the operations of RVLA.

Life transition events such as birthdays, weddings, holidays and other similar circumstances can happen to anyone and cannot be considered superior accomplishments, or merit an award.

O. Scholarships

RVLA is proud to act as a conduit for donors who wish to make contributions to assist students by helping to defray the cost of either their secondary or post-secondary education. It is recognized that donors may specify the conditions under which such aid may be awarded. However, RVLA retains the right not to accept any largess or make any award that in its opinion may be construed to be discriminatory in nature.

From time to time, RVLA may offer an award to students to assist with the cost of post-secondary education. The qualifications for receiving these funds, the amount of the award(s) and the terms for selection of the final awardee(s) will be made available to all RVLA students. At the time of selection, awardees will be provided with a RVLA pledge specifying the conditions and the amount of the award. However, the purpose of these awards is to promote continuing education and, as such, checks will not be made payable to an awardee. Awardees can request that funds be disbursed directly to a post-secondary school of their choice to be used solely to support their education under the condition that no refund of unused funds can be made directly to the awardee. As an alternative, awardees can elect to request reimbursement of education-related expenses up to the amount



of the award upon the presentation of adequate expenditure documentation.

RVLA sites may not use company resources or company time to establish scholarship programs that aim specifically to provide financial assistance for students who cannot qualify for college attendance financial aid from any Federal sources due to the student's undocumented status. To avoid the mingling of private donations for this specific purpose with the state and federal funding, the schools are encouraged to work with an outside agency that accepts donations for this purpose.

Q. School Site Fundraising

Schools may fundraise in several different ways. Depending on the purpose of the fundraising, schools can choose the best method to raise funds to match the need. All school fundraisers must be approved by the Principal (or designee) prior to beginning the fundraiser.

Furthermore, any fundraising occurring on a digital media platform (i.e., school-based webpages and social media pages, Go Fund Me, Donors Choose, etc.) will need to be communicated to RVLA's developmental department prior to going live.

One way to fundraise is by using RVLA's tax exempt status. In order to do this, all donor checks must be made payable to the RVLA regional entity in which the school operates or the fundraising campaign must be posted using RVLA's crowdfunding platform or another crowdfunding platform with which RVLA has registered. In order to fundraise using RVLA's tax exempt status, the fundraiser must meet the following criteria:

- Educational in nature;
- Open to all eligible students for which eligibility is determined through an objective and measurable test (e.g., "students must have a minimum 3.0 GPA to participate."); and
- Is not a gift to a specific individual who would privately benefit (e.g., fundraising to purchase school supplies for one particular student).

Some examples of fundraisers that cannot be held using RVLA's tax exempt status include:

- Gift certificates for individuals;
- Donations to charities (e.g., you cannot fundraise to buy blankets that students will give out to the homeless); or
- Political or religious activities



If there is any uncertainty about using RVLA's tax exempt status for a fundraiser, schools should contact RVLA's Development Department. Schools planning fundraisers that involve raffles and/or auctions must contact RVLA's Finance and Accounting Department to ensure compliance with state and federal regulations. Fundraising proceeds will only be disbursed in accordance with RVLA's standard practices and in accordance with the reason(s) for which the funds were raised.

If a school wishes to raise funds for purposes outside the realm of RVLA's tax exempt status, schools can choose to create personal campaigns through crowdfunding sites like Go Fund Me. Donations received through Go Fund Me are considered to be personal gifts which, in general, are not taxable income in the United States (employees should check with a tax expert if they are unsure). Although personal campaigns through a crowdfunding site can be a great way to raise funds, donors do not receive a tax exemption for their donation.

Regardless of which fundraising method a school chooses, all fundraisers must be approved by the Principal (or designee) and comply with state and federal regulations.

R. State Sales and Use Tax Compliance

School must pay sales tax at the time of purchase on all taxable goods sold in the student stores, such as uniforms, student supplies, and yearbooks. Therefore, the school does not report and pay the sales tax from the student store sales as these sales are not taxable.

IV. Cost Accounting Policies

A. Cost Accounting Period

RVLA's fiscal year begins on September 1st and runs through August 30th. The same accounting period is used for all adjusting entries and accruals.

B. Year Zero Organizational and Start-up Costs

Organizational Costs



The term Year Zero refers to expenses occurring before a new school or region commences its first year of operations. RVLA will incur organizational expenses on its books necessary to set up new regions and new schools. Examples of organizational expenses include travel, legal, curriculum development, back-office set-up, etc. RVLA may bill schools for these reimbursable expenses and services. Board approval or Authorizer approval of a new school will trigger RVLA to bill a region for such organizational costs.

Other Start-up Costs

New regions and schools will obtain financing to fund start-up costs such as furniture, equipment, leasehold improvements, textbooks and computers. These costs and related funding will be recorded on schools' books.

V. Property Management

A. Capital Expenditures

Purpose

The purpose of this Policy is to establish guidelines for the control of capital assets owned by RVLA. Such controls protect capital assets, preserve the life expectancy of capital assets, and avoid unnecessary duplication of assets.

Definition

A capital asset, for the purposes of these policies, is defined as tangible property owned by the organization and property leased from others that qualifies as a capital lease or leasehold improvement with a useful life that extends beyond the year it is placed in service and meets the definition and capitalization threshold for the particular classification of the asset.

Capital Expense Purchasing

Prior to acquisition of a capital asset, a Project Expense Request ("PER") form must be filled out and approved as per the PER procedures. PERs will be quickly approved based on inclusion of projects in the Capital Asset Budget. Projects or purchases not included in the



Capital Asset Budget must be supported by high need to gain approval; otherwise, the project/purchase should be included in the Capital Asset Budget in a future fiscal year.
Classification & Thresholds

Assets purchased, constructed or donated that meet or exceed RVLA’s established capitalization thresholds must be uniformly classified. Standard capitalization thresholds for capitalizing assets have been established for each asset category. RVLA has invested in a broad range of capital assets that are used in operations, which include:

Classification & Thresholds

Assets purchased, constructed or donated that meet or exceed RVLA’s established capitalization thresholds must be uniformly classified. Standard capitalization thresholds for capitalizing assets have been established for each asset category. RVLA has invested in a broad range of capital assets that are used in operations, which include:

| Description | Threshold |
|---|----------------|
| Land - AS OF 6/30/17, RVLA does not own any real property. Real property that is purchased or acquired by gift or bequest for operating purposes regardless of value. | Capitalize All |
| Land Improvements - AS OF 6/30/17 RVLA does not own any real property. Gifts acquired or costs incurred to prepare land for its intended business use in excess of \$5,000, such as landscaping shrubbery, roads, sidewalks, fences, bridges, lighting, sewers, and athletic fields, tracks and courts. | \$5000 |
| Buildings and improvements/betterments – | \$5000 |



| | |
|--|---------------|
| <p>AS OF 6/30/17 RVLA does not own any real property. All structures used for operating purposes including all permanently attached fixtures, machinery, and other components that cannot be removed without damage, such as boilers, furnaces, air conditioners, elevators, wiring, and lighting fixtures. All additions, alterations, remodeling or renovations to structures in excess of \$5,000 that increase the value of the property, that make it more useful or that lengthen its life. Betterments consist of the replacement of a unit of an existing asset by an improved or superior unit resulting in a more productive, efficient or longer useful life. Betterments in excess of \$5,000 are considered as fixed assets and should be added to the value of the structure that is improved. Replacement of a part of an existing asset by another of like quality is not betterment, even though the useful life is maintained or extended.</p> | |
| <p>Leasehold improvements/betterments – Expenses incurred to increase the service capacity of a leased asset, such as additions, alterations, remodeling or renovations in excess of \$5,000. Betterments consist of the replacement of a unit of a leased asset with an improved or superior unit, resulting in a more productive, efficient or longer useful life. Replacement of a part of an</p> | <p>\$5000</p> |



| | |
|--|--|
| <p>existing asset by another of like quality is not betterment, even though the useful life is maintained or extended.</p> | |
|--|--|

| | |
|-------------------|---|
| <p>Capitalize</p> | <ul style="list-style-type: none"> ● Fencing/gates, signage, landscaping, parking lots, lighting systems and ● Athletic fields ● Conversion of unusable space to usable space ● Structures attached to the building ● Installation or upgrade of HVAC systems ● Original installation or upgrade of wall coverings or floor coverings ● Installation or upgrade of plumbing and electrical wiring ● Installation or upgrade of phone systems, security systems, networks, fiber ● optic cable, wiring required in the installation of equipment that will remain ● in the building ● Installation of partitions to allow better use of space ● Installation of built-in cabinets. |
| <p>Expense</p> | <ul style="list-style-type: none"> ● Adding, removing and/or moving of walls relating to renovation projects that are not considered major rehabilitation projects and do not increase the value of the building ● Improvement projects of minimal or no added life expectancy and/or value to the building |



| | |
|--|--|
| | <ul style="list-style-type: none"> ● Plumbing or electrical repairs ● Cleaning, pest extermination or other periodic maintenance ● Interior decorations, such as draperies, blinds, wallpaper. ● Maintenance-type interior renovation, such as repainting, touch-up plastering, replacement of carpet, tile, or panel sections, and sink and fixture refinishing ● Exterior decoration, such as detachable awnings, uncovered porches and decorative fences ● Maintenance-type exterior renovation, such as repainting, replacement of deteriorated siding and roof or masonry sections ● Replacement of a part or component of a building with a new part of the same type and performance capabilities, such as replacement of an old boiler with a new of the same type and performance capabilities and replacement of a roof |
| <p>Furniture and Fixtures – Tangible personal property purchased or acquired by gift to be used for operating purposes in excess of \$5,000, such as automobiles, musical instruments, laboratory equipment, and office furniture.</p> | <p>\$5000</p> |
| <p>Computer Equipment – All information technology equipment, including high-end mainframes, minicomputers,</p> | <p>\$5000</p> |



| | |
|---|---|
| <p>personal computers (microcomputers used by a single user such as desktops, laptops, PDAs, iPads or other communication devices). Computers include the hardware and software components needed for operation.</p> | |
| <p>Construction in Progress – Used as a holding account for expenses related to any construction project before the project is complete.</p> | <p>\$5000</p> |
| <p>Projects in Progress – Used as a holding account for all non- construction related capital expenses.</p> | <p>\$5000</p> |
| <p>Capital Leases Payable – Property leased from others under capital leases. A capital lease is treated in a manner similar to an asset purchase. If the lease is non-cancelable and has at least one of the following characteristics, the leased asset is recorded on the books as a capital asset of the institution:</p> <ul style="list-style-type: none"> a. The lease transfers ownership of property to the lessee by the end of the lease term. b. The lease contains a bargain purchase price. c. The lease term is equal to 75% or more of the estimated economic life of the leased property. d. The present value of the minimum lease payments at inception of the lease, excluding executory costs, equals at least 90% of the fair value of the leased property. | <p>Threshold of classification of the leased property</p> |



| | |
|--|--|
| | |
|--|--|

Exception to the above definition of capital assets: If assets are purchased with Federal or state funds, the organization will need to follow the applicable capitalization threshold as specified per the grant agreement.

Capitalization Policy – Multiple units of Assets on a single invoice

In addition to the RVLA-established capitalization threshold of \$5,000, when multiple units of assets are on a single invoice, such that the total invoice meets the capitalization threshold, the assets will not be capitalized unless each unit equals or exceeds \$5,000. This does not apply to assets that are constructed such as building improvements and leasehold improvements.

Multiple Locations/Schools

If two or more schools split an invoice on a purchase of capital assets, the capitalization threshold of \$5,000 must be met by each location. Therefore, if an invoice of \$5,000 is split between two schools; neither school will capitalize the asset as the split cost will fall below the \$5,000 threshold.

Capital Asset Acquisition Cost

Capital assets should be recorded and reported at their historical costs, which include the vendor’s invoices (plus the value of any trade-in), plus sales tax, initial installation cost (excluding in-house labor), modifications, attachments, accessories or apparatus necessary to make the asset usable and render it serviceable. Historical costs also include ancillary charges such as freight and transportation charges, site preparation costs and professional fees.

Assets donated should be reported at their fair market value on the date the donation is made.

Calculation of Leased Asset and Liability Amounts

RVLA treats the capital lease as if an asset were being purchased over time; i.e., it is a financing transaction in which an asset is acquired and a corresponding obligation (liability) is created.



The asset and liability should be recorded at the lesser of:

- Fair market value of the asset at the inception of the lease, or
- Present value of the minimum lease payments, using RVLA’s incremental borrowing rate as the interest rate.
 - Note: The lessor’s implicit rate of interest may be used if lower than the lessee's incremental rate.

This should include all payments that RVLA is required to make, such as required payments, bargain purchase options, and guaranteed residual value. It should exclude executory costs such as insurance, maintenance and taxes that are paid by the lessor. If RVLA pays these costs directly, there is no adjustment to the periodic lease payments.

Depreciation Guidelines

Depreciation is a system of accounting which aims to distribute the cost or gift value of a capital asset, less salvage value, over the estimated useful life of the asset in a systematic and rational manner. All depreciable assets will be depreciated using the straight-line method of allocation (historical cost less residual value, divided by useful life). The straight-line method allocates an equal amount of the net cost of an asset to each accounting period in its useful life.

The useful life of depreciable assets is based on their usefulness to the institution. The following table displays the estimated useful life that will be used to allocate depreciation:

| Property Category | Life in Years |
|---|---|
| Building Improvements: | |
| Electrical, heating, air conditioning | Remaining life of asset or term of lease whichever is shorter |
| Telephone systems, bell systems, security systems, IT cabling | 5 |



| | |
|---|---|
| Roofing and equipment | Remaining life of asset or term of lease whichever is shorter |
| Furniture and equipment | 3 |
| Computer hardware/software | 3 |
| Computer networking equipment and spare parts that meet capitalizable threshold with useful life of 5 years | 5 |
| Construction in Progress | N/a |
| Projects in progress | N/a |

To calculate depreciation for an asset, the estimated residual value must be declared and deducted before depreciation can be calculated. Residual value will be 0% of historical cost.

B. Disposition of Capital Assets

Capital assets that are obsolete, worn out, or no longer meet the requirements of a department may be sold as surplus, transferred to another department, traded-in, or discarded.

Disposition of Capital Assets Acquired with Federal Funding

When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. (2 CFR §200.313(e)) Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

- Items of equipment with a current per unit fair market value of \$5,000 or less may



be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

- Except as provided in CFR § 200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
- The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.
- In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

VI. Procurement

A. Centralized Purchasing and Preferred Vendor List

Purchasing refers to the process of acquiring goods and services best suited for the specific needs of RVLA. By creating purchase orders in Schools can purchase items/services to support the needs of students, staff, and class instruction. Textbooks, technology equipment, and furniture must be purchased centrally in order to adhere to required specifications and maintain appropriate asset tagging.

To maximize RVLA's purchasing power for discounts, a "preferred vendor" list for



commonly purchased items are available. Prior to purchasing an item, this list should be consulted to determine if an existing vendor offers the desired item. Using this list allows RVLA to leverage its purchasing power for future discounts.

New vendors will not be set up for products/services offered by existing preferred vendors.

C. Nutrition Programs

A Food Service Management Company (“FSMC”) is an entity that performs one or more activities of the food service operation on behalf of a school nutrition program sponsor.

These activities may include any or all of the following services: bookkeeping, menu development, preparation of reimbursement claims, organization and maintenance of program documents (such as daily meal counts, menus, and menu production records), meal preparation and service, consulting services, and purchasing services.

FSMC contracts may be valid for up to one year from the date that they are signed by all parties and may be renewed for up to four additional one-year terms. Federal regulations require that districts annually submit all new contracts, corresponding bid documents, and/or annual contract extensions to the Office of Superintendent of Public Instruction, Nutrition Services (“OSPI”), for prior approval.

Federal regulations require that all purchases of goods and services using food service revenues follow Federal procurement regulations. Specifically, sponsors must adhere to a competitive bidding process, and FSMC contracts must include Federally required clauses. In addition, the sponsor is responsible for preparing all bid documents and the agreed upon contract. Following is a brief description of these requirements as they apply to FSMC contracts.

Bidding Process

Sponsors electing to contract with an FSMC must conduct a competitive bidding process using either informal or formal bid procedures.

Competitive Procurement

Federal regulations at Title 7, Code of Federal Regulations (7 CFR Section 3016.36(c)



require all procurement transactions to be conducted in a manner providing full and open competition consistent with the standards of Section 3016.36. Some of the situations considered to be restrictive of competition include but are not limited to: (i) Placing unreasonable requirements on firms in order for them to qualify to do business; (ii) Requiring unnecessary experience and excessive bonding; (iii) Noncompetitive pricing practices between firms or between affiliated companies; (iv) Noncompetitive awards to consultants that are on retainer contracts; (v) Organizational conflicts of interest; (vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement; and (vii) Any arbitrary action in the procurement process.

Informal Bid Process

An informal bid process allows sponsors to contact a minimum of three agencies to obtain price quotes for specific services. Sponsors must write a description of the services they are seeking and provide the same information to each agency contacted. The sponsor must document and retain the following information from each of the contacted agencies:

The name of the agency;

The name of the contact person;

The phone number;

The quoted price; and

For the selected agency, a rationale for the selection and accepted bid price.

Formal Bid Process

The formal bid process is a much more detailed process and may include, but is not limited to, the following activities:

- Advertising in a public manner, typically a newspaper of general circulation;
- Providing a Request for Proposal ("RFP") or Invitation for Bid ("IFB") to agencies known to provide the desired services;
- Offering facility review visits; and
- Establishing a date and time for opening bids.

As in the informal bid process, the formal bid process requires the sponsor to document the bid process and include a rationale for the selection of the bidder and the awarded contract



amount. The sponsor must maintain the bid documentation for the duration of the contract, or in the event of a contract and/or procurement process audit finding, three years beyond the final resolution of the findings. Regardless of the bid process used, sponsors must award the contract to the lowest bidder that best meets their needs.

Bid Threshold

The total annual (i.e., 12 consecutive months) value of the contract determines whether to use an informal or formal bid process. If the annual value of an FSMC contract is less than the applicable bid threshold, an informal bid process can be used. Likewise, a formal bid process must be used for contracts that are equal to or exceed the applicable bid threshold. Sponsors must follow a bid threshold established by their governing body, which differs among agencies as follows:

- The Federal bid threshold is \$100,000 and applies to private, nonprofit agencies and charter schools.
- Public schools and county offices of education use the small purchase threshold as established in the Washington State Revised Code of Washington. This amount may change from year to year.
- Local governments, such as those administered by county government offices, shall use the small purchase threshold established by their governing body. If no such local threshold exists, they must use the Federal threshold of \$100,000.

Agencies may contact Child Nutrition Services for assistance with their bid process. Remember, regardless of the bid process used, it must be competitively procured.

Contractor Involvement

Sponsors are responsible for preparing the contract and all accompanying bid documents. Sponsors are prohibited from awarding a contract to any vendor that prepared or had a significant role in developing the contract and related bid documents; e.g., a price quote, request for proposal, invitation to bid, and bid specifications. While schools have broad discretion in gathering information for use in connection with procurements, information from potential bidders, including contracts developed or provided by a vendor, must be appropriately modified to develop tailored specifications; otherwise, these bidders must be excluded from competing for



such procurements. Any action that diminishes open and free competition seriously undermines the integrity of the procurement process and may subject the sponsor to bid protests. Sponsors must have protest procedures in place to handle and resolve disputes relating to their procurements and must, in all instances, disclose information regarding a protest.

All FSMC contracts must include Federally required language as specified in 7 CFR 3019.48, 3016.36(i), 210.16(a) and 250.12(d). The highlighted components of the attached prototype contract meet this requirement and must not be deleted or modified. All other contract language may be modified to meet the agreed upon responsibilities of the food service consultant.

Any modifications to the contract must be submitted for approval prior to its execution.

State Requirements

Please contact the School Food Service Contracts Unit for additional information and guidance

[Child Nutrition Services](#)

360-725-6200

TTY:360-664-3631

FAX:360-664-9397

[Assigned RVLA Program Specialists](#) (May change based on OSPI)

[Sadaf Ijaz](#)

[360-701-4561](#)

Recordkeeping Requirements

Sponsors are required to maintain appropriate records for procurement transactions occurring in connection with the Child Nutrition Programs. Title 7 CFR parts 3016, 3019, 210.9(b)(17), and the terms of the child nutrition program agreements require both the OSPI and the sponsor to retain program-related records for a period of three years from the day a sponsor's final allowable payment under the contract has been recorded. This is true



regardless of whether the final payment is recorded prior to the expiration of the contract or subsequent to the expiration date.

When a procurement contract is continued or renewed at annual or other intervals, the retention period for the records of each contract period starts on the day the final payment is recorded in connection with the final renewal.

Actions such as bid protests, litigation, and audits may result in an extension of this three-year period. In all such cases, the records must be retained until: (1) three years beyond the completion of the action and resolution of all issues arising from it; or (2) the expiration of the regular three-year period, whichever occurs later.

Adequate procurement methods are a prerequisite for receiving funds. If records generated during the performance of the award do not demonstrate compliance with applicable procurement requirements, several possible penalties may follow such as disallowance of costs, annulment or termination of award, issuance of a stop work order, debarment or suspension, or other appropriate remedies. Examples of records include:

- A written rationale for the method of procurement
- A copy of the RFP or the IFB
- The basis for selection of the contract type (fixed price or cost reimbursable)
- The bidding and negotiation history
- The basis for contractor selection
- Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained
- The basis for award cost or price
- The terms and conditions of the contract
- Any changes to the contract and negotiation history
- Billing and payment records
- A history of any contractor claims
- A history of any contractor breaches
- Lack of prior OSPI approval for all contracts and supporting documents



D. General Procurement Policies & Procedures

Purpose of procurement policies and procedures

The purpose of this document is to establish policies and procedure for RVLA's procurement of supplies and other expendable property, equipment, real property and other services from all sources, including those that are Federal and those that are Non-Federal, except where Federal or State procurement guidelines may differ.

Conflict of Interest

No RVLA employee, officer, or agent shall participate in the selection, award, or administration of an acquisition or contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of RVLA shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements except for where the financial interest is not substantial or the gift is an unsolicited item of insignificant value. Members of the RVLA's national and regional boards of directors shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. Officers, employees, directors, and agents of RVLA shall be subject to disciplinary actions for violations of these standards.

Competition

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards shall be made to the bidder or offerer whose bid or offer is responsive to the solicitation and is most advantageous to RVLA, price, quality and other factors considered. Solicitations shall clearly set forth all requirements that the



bidder or offerer shall fulfill in order for the bid or offer to be evaluated by RVLA. Any and all bids or offers may be rejected when it is in RVLA's interest to do so. In all procurement, RVLA shall avoid practices that are restrictive of competition.

Suspension and Debarment

As a federal award recipient, RVLA is required to check all potential contractors for suspension and debarment on the United States Government's System for Award Management (SAM) Website for all contracts expected to equal or exceed \$25,000.00 (2 CFR §1532.220). The companies listed in SAM have been prohibited from conducting business with the US government for a specified length of time, and any bid from a contractor found to be on this list shall be immediately rejected. There are three milestones that require checking SAM:

1. At opening bids or receipt of proposals;
2. Before letting out the work; and
3. Before awarding any new work to make sure nothing changed since the bid opened.

Methods of Procurement

The procurement methods detailed below are established except for where the procurement guidelines specific to Federal or State funding differ from them. RVLA will ensure that current code is consulted to determine the instance of such situations.

1. Purchases of Goods and Services.

- a. Value less than \$10,000: No quote nor proposal is necessary if RVLA considers the price reasonable, although fair and equitable standards apply to the vendor selection process.
- b. Value from \$10,000 - \$50,000: A minimum of two (2) quotes or proposals must be obtained from qualified sources.
- c. Value greater than \$50,000 and less than \$150,000: A minimum of three (3) quotes or proposals must be obtained from qualified sources.
- d. Value of \$150,000 or greater: Comprehensive requests for proposals that include clear, accurate descriptions of goods and/or services solicited and are publicized. A formal method for their evaluation and selection must be followed.

2. Construction Projects.



- a. Architectural / Engineering Professional Services: Recognized competitors are identified and a qualifications-based selection process is used, subject to the negotiation of fair and reasonable compensation.
- b. All other Construction procurement: Comprehensive requests for proposals are publicized and solicited, and a formal method for their evaluation and selection must be followed.

3. Non-Competitive Procurement.

Solicitation of a proposal from a single source can only be used when one or more of the following factors apply:

- a. The item is available only from a single source;
- b. The exigency or emergency requiring the procurement will not permit the delay caused by the competitive procurement process;
- c. RVLA determines, following solicitation from a number of sources, that competition is inadequate.
- d. RVLA Management determines, based on quantitative and/or qualitative analysis, that competition is not practical or cost-effective.

4. Federal Program Guidelines.

- a. Procurement generated from Federal awards, such as grants, shall adhere to Office of Management and Budget (OMB) guidance regarding uniform administration requirements, cost principles, and audit requirements.
- b. Procurement generated by the National School Lunch Program shall adhere to guidance noted in Title 7 of the Code of Federal Regulations.

5. State Program Guidelines.

- a. Procurement related to state programs such as public school construction, shall adhere to relevant guidance from the appropriate state agency, the Washington State Office of the Superintendent of Public Instruction.

6. Academic and Information Technology (IT) Procurement.

- a. RVLA places considerable significance to the procurement of Academic and Information Technology because of the essential role that both play in the



education of our students. Moreover, comprehensive processes grounded in community consensus have been developed to select textbooks and similar academic resources as well as to determine a system-wide IT framework.

b. The selection processes for these two unique instances are fair, unbiased, and highly competitive. The criteria for the evaluation of potential sources will be detailed in a attached addendum: RVLA Guidelines for Academic and Information Technology Selection.

c. Once a selection is confirmed (e.g., a textbook, other instructional item such as a novel, or an IT computing classification), the method of procurement detailed above in subsection (a) Purchases of Goods and Services applies.

7. Guideline for Academic and Information Technology Selection

a. Academic Technology Selection

Textbook Selection

Choosing a textbook should be a collective process where the various members of the community that are to be engaged with the text should be part of the selection process. Each school chooses a committee whose responsibility is to research available textbooks and choose a textbook to be used at the school. This Textbook Adoption Committee (TAC) should be comprised of teachers in the content area and individuals that have some specific relationship to the material (curriculum director, department heads, etc.).

As an initial task, the TAC should create and/or adopt a rubric/checklist by which to judge the various textbooks. This rubric should include consideration of a) clear alignment with state standards and Common Core standards, b) clear alignment with school and RVLA standards, c) cultural, gender, SES and ethnic differences, d) differing learning modalities, e) local budget constraints, and f) content accessibility.

Math Curriculum Adoption Process

- Top two vendors invited to presentation for all Math Teachers
- Math teachers invited to provide feedback via form
- Committee used feedback for final decision



Pre-Approval Requirements

Other areas to consider when selecting new curriculum or textbooks

- Common Core Aligned
- Online component with student log in
- Textbook component
- Cost Effectiveness

b. Information Technology Selection

Procurement of technology at RVLA is contingent on available federal subsidies through the FCC's E-Rate Program.

The following summarizes guidelines for procuring technology both through E-Rate and outside of E-Rate regulations.

Subsidized (E-Rate)

Each year, E-Rate provides RVLA with millions of dollars of savings in relation to communications (e.g., phone service), connectivity (dedicated Internet access and WAN), and infrastructure related to these services (e.g., wireless access points, wireless controllers, cabling, etc.).

For each service provided, RVLA participates in a competitive RFP bidding, as managed by RVLA's E-Rate vendor.

Each bid is scored according to a standard rubric approved by the FCC. Rates and products included in each bid cannot be modified, per the RFP process and E-Rate regulations.

Non-Subsidized

Non-subsidized technology is procured through contracts with core IT vendors. As it's of vast importance for RVLA to maintain an interoperable technology environment that can be serviced by all internal stakeholders RVLA seeks to maintain the same vendors on a yearly basis – provided that the technology remains high quality and competitively priced.



Accordingly, RVLA engages in negotiations annually with core IT vendors, aiming to maintain or decrease price as RVLA grows in size.

VII. Payroll and Travel Policies

A. Payroll

RVLA's pay periods run from the 16th to the 15th of each month. Paychecks are issued monthly on the last day of each month unless those days fall on a weekend or holiday, in which case checks will be distributed on the preceding business day. All employee payroll amounts are calculated based upon approved rates included in the individual's personnel file. Any changes to pay rates or benefits must be properly initiated and authorized using the designated process in RVLA's human resources information system ("HRIS", e.g., BambooHR).

If for any reason, an employee receives the incorrect amount of pay, RVLA will handle each situation as follows:

If an employee is materially underpaid (i.e., gross adjustment due is in the amount of \$100 or more) due to erroneous processing by Payroll or due to submission of incorrect information by managers/administrators, then a manual check or ACH transaction will be issued as soon as possible.

If an employee is overpaid due to erroneous processing by Payroll or due to submission of incorrect information by the employee/managers/ administrators, then a repayment arrangement will be negotiated with that employee to repay the overpayment to RVLA. The employee will agree, in writing (email is acceptable), that deductions from future pay checks meet with their approval.

Repayments to RVLA should be completed by the end of the fiscal year. An employee's refusal to comply with this policy will result in disciplinary action up to and including termination.

Direct Deposit



All RVLA employees are encouraged to sign up for direct deposit and can do so by completing an updated direct deposit form.

Pay Deductions

All RVLA employees are subject to normal state and federal pay deductions (e.g., taxes, Social Security and Medicare) per applicable law. Please see Payroll and Benefit Parameters set by the United State Internal Revenue Service (“IRS”) and your state of employment for the most recent calendar year for further details.

Additional payroll deductions (e.g., retirement, benefits) may be withheld and deposited in a timely manner, if applicable.

In the event an employee has a scheduled deduction, but does not receive a pay check to cover the deduction, the deduction will accumulate and be reflected in RVLA’s HRIS. Twenty-five percent (25%) of the accumulated balance will be deducted per pay period until the full amount has been deducted. All normal deductions will also occur in addition to the deductions of the accumulated balance. Upon an employee’s termination from employment with RVLA, the full balance of the accumulated balance will be deducted from his/her final paycheck and any shortfall will be paid by the employee to RVLA. Additionally, deductions for health benefits that result in the employee earning less than minimum wage are allowable as long as the employee has voluntarily elected such benefits.

Time Entry for Hourly Employees

Hourly employees will log their worked time by using the check in and check out feature in Skyward Qmlativ. Hourly employees will attest that the hours logged through the check in/check out process are accurate and complete by using the submission process. Submission of time is due according to the schedule below.

| Payroll Processing Timeline | | |
|---|-----------------|---------------------------|
| Process | Due Date | Person Responsible |
| Hourly/Period Coverage and Time Off transaction must be logged daily and | Friday by 5pm | Employees |



| | | |
|--|----------------------------------|----------------------------------|
| submitted weekly | | |
| Coaches/Supervisors must approve/reject timesheets weekly | Monday by 12pm | Coaches/Supervisors |
| Timesheet revisions must be reviewed and approved | Wednesday at 5pm weekly | Coaches/Supervisors Employees |
| Time must be logged and submitted through the 15th of each month | | Employees |
| Employee submitted timesheets of any kind Period Coverage, Hourly Timesheets, Special Assignment Pay including After school Program For the 16th of the prior month through the 15th of the current month | 20th of each month by 5pm | Supervisors |
| Supervisor required approval | 22nd of each month by 5pm | |
| ACH file ready for review | 25th | Payroll |
| CFOO to review ACH file | 27th | |
| Final ACH release by 5pm | 27th 2 days prior to pay date | |
| Payday \$\$\$ | See calendar | |

Request Time Off

Each employee is responsible for reporting their time off through Skyward. Submitted time off is approved by the employee’s supervisor. Supervisors are responsible for ensuring that all time off is entered accurately. If an employee does not enter their time off in Skyward, the supervisor may enter the employee’s time off in Skyward. Time off will be submitted and approved no later than the 22nd of each month. Please refer to the “Sick Leave and Paid Time Off” policy in the Employee Handbook. Failure to report time off in Skyward may result in disciplinary action up to and including termination of employment.

Stipends

From time to time, a stipend may be offered to an employee for specific services rendered that fall outside his/her normal role and responsibilities. Stipends are treated as regular



income and are thus subject to all standard taxes and other deductions.

Overtime

Generally, teachers and administrators are exempt. Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to these exempt employees.

Non-exempt employees may be required to work beyond the regularly scheduled work day or work week as necessary. Only actual hours worked in a given workday or work week can apply in calculating overtime for non-exempt employees. All overtime work must be previously authorized by the employee's supervisor. RVLA provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal laws.

For purposes of calculating hours worked and overtime pay, the RVLA work week begins each Monday at 12:01 a.m. and ends on Sunday at midnight. The RVLA work day begins at 12:01 a.m. and ends at midnight 24 hours later.

For employees subject to overtime, all hours worked in excess 40 hours in a seven-day work week shall be treated as overtime and shall be paid at a rate of one and one-half times the employee's regular rate of pay. For overtime purposes, holiday pay is not considered hours worked during the work week.

On a monthly basis, Payroll data encompassing regular time and overtime incurred in the period is provided to supervisors for review. The data is reviewed for reasonableness and discussed with appropriate administrators and department heads as necessary.

Meal and Rest Breaks

It is important to RVLA that all employees take daily rest time away from their work area. RVLA offers a fully functional break room to allow a place for employees to rest and eat during their breaks.

Washington Rest and Meal Breaks

All nonexempt employees are entitled to a paid rest break of at least ten minutes for each 4 hours worked. The rest break must be allowed no later than the end of the third hour of the



shift.

All nonexempt employees are allowed at least a 30-minute meal period. They must be at least 2 hours into the shift before the meal period can start. The meal period cannot start more than 5 hours after the beginning of the shift. They must clock out for their meal period. They will be permitted a reasonable opportunity to take this meal period, and they will be relieved of all duty. During the meal period, the employee is free to come and go and is free to leave the premises. The employee is expected to return to work promptly at the end of any meal period.

Recording Meal Periods

All nonexempt employees must clock out for any meal period and record the start and end of the meal period. Employees are not allowed to work “off the clock.” Such employees must report all work time accurately on their time record. If, for any reason, any such employee is not provided a meal period in accordance with this “Meal and Rest Breaks” policy, or if any such employee is in any way discouraged or impeded from taking their meal period or from taking the full amount of time allotted, the employee must immediately notify their immediate supervisor or RVLA’s Human Resources Department. Anytime that a meal period was missed that should have been provided (or any portion of a provided meal period is worked), the employee must report to their immediate supervisor and document the reason for the missed meal period or time worked. Refusal of an employee to take a lunch break can result in disciplinary action up to and including termination.

Lactation Accommodation

RVLA accommodates lactating employees by providing a reasonable amount of break time to any employee who desires to express breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to express breast milk that does not run concurrently with break time already provided to the non-exempt employee shall be unpaid and must be documented by the employee for time-tracking/payroll purposes. RVLA will make reasonable efforts to provide employees who need a lactation accommodation with the use of a room or other private location that is located close to the employee’s work area. Employees with private offices will be required to use their offices to express breast milk. Employees who desire lactation accommodations should contact their supervisor to request accommodations.



B. Expense and Travel Reimbursement

RVLA may authorize payment for actual and necessary expenses, including travel incurred by an employee performing pre-approved, authorized services. However, the majority of day-to-day purchases (e.g., supplies) should be done through the appropriate purchasing processes (see Purchasing Section of the Employee Handbook). Every effort should be made to obtain items from RVLA-approved vendors using the requisition process or corporate credit cards. Purchases from vendors outside the home state are subject to that home state's tax and that tax will be added to the cost of the item and charged to the budget of the site that incurred the charge.

Reimbursement request forms are to be completed and processed through the RVLA invoicing process.

The reimbursement requests require approval by the assigned approver (Department Head, Principal or direct supervisor). Therefore, employees must receive approval from their school's Principal, Supervisor, or Department Head prior to incurring expenses.

In general:

- Expenses can be reimbursed up to 45 calendar days from the date of the transaction
- Itemized receipts and/or proof of payment must accompany all expenses
- All expenses must be pre-approved by the appropriate Department Head, School-Administrator or direct supervisor
- Site Administrator or direct supervisor
- Employees must use their corporate credit card if one has been issued to them

Failure to comply with the above will result in non-reimbursement of the expense.

Employee Reimbursement

Employees with pre-authorization following the RVLA purchasing process are allowed to make school related purchases with their personal funds and request reimbursement. Staff should aim to have all reimbursements submitted to invoices@myrvla.org within 30 days of purchase. Otherwise, the final deadline for reimbursement each year is marked by the last business day of the fiscal year (August 31st).



The reimbursement must include proof of pre-authorization from an authorized staff member, including the RVLA reimbursement form and printed itemized receipts in order according to how they are listed on the reimbursement form. Failure to submit all components of the reimbursement will result in the reimbursement being rejected for edits. Payment of reimbursements is done on a rolling basis to ensure timely processing.

Business meals are reimbursed using standard applicable IRS guidelines. Under no circumstances shall alcohol be reimbursed. No board member or employee may authorize a reimbursement request made payable to themselves. Reimbursements payable to the Chief Executive Officer are approved by the COO and/or Board Co-Chairs or Treasurer.

Mileage Reimbursement

A mileage log must be submitted for all mileage reimbursement requests and must indicate the points of travel, dates of travel, odometer readings and the miles eligible for reimbursement. Per applicable state and federal law, normal commuting costs of traveling to and from work are not reimbursable and must be subtracted from the reimbursement request. For example, I travel 15 miles to get to work on a normal day, but I am requesting reimbursement to visit school site A (5 miles) school site B (5 miles) and then to my assigned office (10 miles). Twenty miles were traveled (5+5+10) but only 5 are eligible for reimbursement, since I normally travel 15 miles.

The current reimbursable rate per mile is determined using the IRS' standard mileage reimbursement rate for the use of a car. Note: gas, oil or other vehicle maintenance items and insurance related to personal car use for business travel is not reimbursable since this is included in the IRS/government mileage rate.

Employees must acquire and maintain the minimum requirements, per applicable state and federal law, (e.g., ensure valid driver's license, minimum insurance, etc.), when driving is part of, or is incidental to, his/her job duties (e.g., traveling between school sites).

Meals and Entertainment

For U.S. tax reporting purposes, meal expenses are defined as the costs incurred for food and beverages in the conduct of business. Entertainment expenditures, whether client or firm related, require pre-approval. Entertainment expenses include, but are not limited to, the cost of amusement or recreational facilities or attendance at the theater and sporting events.



Meals made necessary by travel are reimbursable through a standard rate per diem.

RVLA does not reimburse an employee for alcohol.

Hotels

Reasonable lodging costs incurred in the course of business travel will be covered by RVLA whenever a day trip is not appropriate, if approved in advance. Staff should utilize the [US General Services Administration](#) current per diem rates for the area traveling to establish reasonable lodging costs thresholds. All hotel bookings require approval by the department head in which the travel expense will be incurred. Additionally:

- RVLA employees are expected to stay in standard business class lodgings that charge a reasonable rate not to exceed US General Services Administration per diem costs
- RVLA will not pay for lodging costs when staying in a city longer than is justifiably necessary.

The itemized hotel bill showing the form of payment used (charge slip or zero balance) must be submitted with the expense form or credit card reconciliation as documentation. A charge slip alone is not acceptable. In the event of an express checkout, a hotel invoice along with a form of payment on the invoice (such as a credit card number) is acceptable.

When work commitments require Friday and Monday trips to the same city, the traveler is ordinarily expected to return home for the weekend. However, if such travel would be costlier or time-consuming than remaining at the distant location over the weekend, lodging and reasonable meal costs for the traveler would be reimbursable with the following restrictions:

The travel must be pre-approved;

- Costs of entertainment such as gym use, movies, cocktails and cultural events are considered personal in nature and will not be reimbursed;
- Hotel laundry or valet charges are not reimbursable, unless for unexpected extended trips; and
- Items of clothing purchased when traveling are not reimbursable. This includes replacement of lost or stolen items as well as clothing purchased as a result of an unexpected extended stay.

Air Travel



RVLA employees are expected to travel using the lowest available logical fare in economy class. All air travel requires approval by the department head in which the travel expense will be incurred. Additionally:

- The only legitimate reason for flying any class other than economy is if seats are not available in coach or if an employee has a disability for which a reasonable accommodation is required. If this is the case, approval must be obtained from their manager before purchasing the ticket.
- Only actual costs will be reimbursed upon completion of travel.
- No reimbursement will be made for the value of premiums earned through frequent traveler programs applied to business travel. This includes free upgrades or free flights. Miles and points earned are the property of the employee.
- RVLA is not responsible for lost, stolen or damaged luggage. Please file a claim with the airlines and/or personal insurance company.
- Flight changes which incur costs will only be paid for by RVLA if they are business related and reasonable (if you miss your flight unrelated to a business purpose change fees are at the expense of the employee)

Car rentals

Car rentals should be used only when needed and alternate forms of road transportation (i.e., taxis, public transit, and personal vehicles) are not more feasible or available.

RVLA staff should rent “mid-size” models or lower. Upgrade charges are generally not reimbursable, though reasonable exceptions may be allowed if previously approved and adequately explained.

Loss Damage Waiver (“LDW”) insurance is included in the corporate contract. If renting outside of the corporate contract, LDW should be accepted.

RVLA will not be responsible for vehicle damage that occurs during business use of either a personal or rented car. Parking or traffic fines are not reimbursable.

Rentals over a weekend or holiday period are generally not reimbursable, unless adequately explained and previously approved by a manager.

Every effort should be made to refuel at a gas station prior to returning the vehicle at the end



of the rental period, instead of purchasing the refill directly from the car rental company (except when refill option is more economical).

Employee vehicles that are damaged or stolen on work site property will be reimbursed up to the amount of the deductible or \$250, whichever is lesser. The burden of proof for demonstrating that the damage occurred on work property shall rest with the employee.

Other Transportation

Reimbursement will be made for reasonable expenditures for transportation other than air, travel and car rentals. This category includes:

- Taxi fares between office/home and airport as well as between airport / hotel and final destination (e.g., conference) when traveling. Employees should verify whether the hotel or conference location has a free shuttle from the airport to the hotel/conference prior to travel since many such shuttles are available free of charge.
- Tolls and parking fees incurred when using personal car for business travel (gasoline is not reimbursable, see mileage reimbursement policy).
- Tolls, gas and parking fees incurred during business travel while using a rental car.
- Reimbursement guidelines are updated annually. All expense and travel reimbursement exceptions should be forwarded to the direct supervisor for review and approval prior to occurrence.

Advances

In specific circumstances in which a staff member has limited funds to pay RVLA expenses, RVLA may issue an advance. Every effort should be made to process as much of the projected out-of-pocket expenses through Accounts Payable as possible to minimize any required advance amount and if possible eliminate the need for an advance altogether. For example, airfare and hotel can be paid for upfront by RVLA check or corporate credit cards.

The employee must complete the **Cash Advance Request form** that presents an estimate of costs which will be the basis for any advanced amount. Advances must be pre-approved by the Department Head or Principal, as appropriate. The Cash Advance Request form should be submitted to RVLA's Accounts Payable Department as soon as possible to ensure that the employee receives the advance in enough time to purchase the goods or services. The



advance will be issued, via a check, from RVLA's Accounts Payable Department. The employee must follow all reimbursement guidelines as stated in the Travel and Expense Reimbursement Policy. The employee will need to submit an expense report with receipts within 45 days of the dates on the receipts or the conclusion of travel, whichever is later. Advances will only be granted when it is deemed absolutely necessary by RVLA.

Non-Reimbursable Expenses

RVLA must adhere to certain guidelines as set forth by the Washington Office of Superintendent of Public Instruction for the use of state and federal funds. The following is an illustrative list which outlines the majority of non-reimbursable expenses including, but not limited to: personal expenses, alcohol, tobacco, mini-bar expenses, spouse or family member expenses, laundry or cleaning expenses (except for unexpected extended trips), traffic citations, pay-for-view movies in hotels, cultural events, monetary gifts or gift cards and unreasonable or extravagant expenses.

Other non-reimbursable expenses include the fee for obtaining a background check and/or a TB clearance in order to secure employment with RVLA. These fees may be reimbursed for unpaid RVLA volunteers.



VIII. Consultants and Independent Contractors

A. Independent Contractors

An individual not employed by RVLA who performs a service for the organization may be considered a consultant or an independent contractor. In order to preserve the nature of the principal and consultant/independent contractor relationship, several requirements should be met before contracting with a third party. In particular, consultant/independent contractors should:

- be free from RVLA's control and direction in performing the service, both under contract and in fact;
- provide a service that is outside RVLA's usual expertise;
- be engaged in an independent trade, occupation, profession or business of the same type; not receive any fringe benefits directly, although their fee may include a provision for fringe benefits;
- not be assigned a permanent workstation or RVLA equipment;
- use his/her own invoice in billing for services; and
- provide proof of appropriate insurance.

Independent contractors and consultants are not entitled to any of the benefits that RVLA provides to its employees, including, but not limited to, workers' compensation, disability insurance, leaves of absence, vacation, or sick pay. Independent contractors and consultants are responsible for providing disability, workers' compensation, or other insurance as well as licenses, credentials, and permits usual or necessary for performing the applicable services. Under no circumstances shall RVLA be considered or interpreted to be an independent contractor's or consultant's employer, partner, agent, or principal for any purpose. Prior to services being rendered, RVLA's Human Resources Department must be contacted to develop a written engagement agreement. The use of independent contractors is



closely monitored so as not to vary from the rules of the Internal Revenue Code. The drafting of all contracts for independent contractors should be based on the standard contract template jointly developed by RVLA's Human Resources and Legal. Any significant changes to the standard template should be reviewed by RVLA's appropriate administrators and the Legal Department before the execution of the contract to limit RVLA's exposure to liability or legal action.

Additionally, independent contractors are required to follow the Criminal Background Checks as outlined in the Employee Handbook prior to completing the contracting process. Once cleared to begin work, independent contractors are required to submit written, detailed invoices for payments which are processed through RVLA's Accounts Payable Department.

[Prior Year Policies for Reference if not addressed in this updated version.](#)

**RESOLUTION OF THE BOARD OF DIRECTORS
OF RAINIER VALLEY LEADERSHIP ACADEMY [RVLA]
REGARDING APPROVAL OF
RAINIER VALLEY LEADERSHIP ACADEMY’S
ACCOUNTING & FINANCE POLICIES & PROCEDURES HANDBOOK**


This Resolution is presented to the Executive Committee of the Board of Directors (“Board”) of **RAINIER VALLEY LEADERSHIP ACADEMY** (“RVLA”), a Washington State nonprofit public benefit corporation, at a regular meeting on November 28, 2023.

WHEREAS, the Board supports and is committed to the practice of reviewing and approving RVLA policies prior to their implementation;

WHEREAS, RVLA can be required to provide evidence of Board-approved policies for purposes of submitting charter petitions and renewal petitions;

WHEREAS, RVLA’s legal counsel has reviewed the policies set forth in RVLA’s Accounting & Finance Policies & Procedures Handbook; and

WHEREAS, the Board has received and reviewed RVLA’s Accounting & Finance Policies & Procedures Handbook attached below:

 23-24 Finance and Accounting Policies and Procedures (1).pdf

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the implementation of the policies set forth in RVLA’s Accounting & Finance Policies & Procedures Handbook.

ADOPTED by the Board of Directors of Rainier Valley Leadership Academy during a regular meeting duly held on November 28, 2023, at which a quorum was present.

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

CERTIFIED AS A TRUE AND CORRECT COPY:

CERTIFIED: _____
Chairman, Board of Directors

_____ Date

ATTEST:

Board Secretary

Date



Draft

Finance & Accounting Policies and Procedures

SY 2023-24

SY 23-24 Finance and Accounting Policies and Procedures 1 of 62 Last updated November 2023



Draft

- I. **Policies 5** A. Compliance with Laws 5 B. Signing Authority 5 C. Security of Financial Data and Documents 7 D. Due Diligence 7 E. Periodic audits can be expected for: 8 F. Use of Assets 8 G. Credit Cards 8 H. Invoicing 10 I. Password Protocol and File Access 10 J. Acceptance of Personal Gifts 11
- II. Financial Management 11 A. Basis of Accounting 11 B. Revenues 12 C. Expenses 12 D. Record Keeping 12 E. Timekeeping Policy 12 F. Chart of Accounts 13 G. Budget 13 H. Type, Sources, and Uses of Funds 14
 - Federal Awards – Allowable Costs 15 Grant Expense Tracking 16 I. Scholar Fees 16 J. Acceptable Use of Public Funds 17 Gifts of Public Funds 18 K. Audit Group 19 L. External Auditors 19 M. Audit Requirements 19
- III. **Policies Related to Assets, Liabilities, and Net Assets 20** A. Bank Accounts 20

SY 23-24 Finance and Accounting Policies and Procedures 2 of 62 Last updated November 2023



| | | | | | | | |
|----|----------|----|----|-------------|-------|--------|----|
| B. | Deposits | 20 | C. | Outstanding | Check | Policy | 21 |
|----|----------|----|----|-------------|-------|--------|----|

Draft

D. Donations and Fundraising 22 E. Donation of Assets 23 F. Petty Cash 24 G. Liability for Compensated Absences 24 H. Unused Sick Time Policy 25 I. Prepaid Expenses 25 J. Accounts Payable Monthly Expense Accrual Policy 26 K. Raffles 26 L. Prizes and Awards 26 O. Scholarships 27 Q. School Site Fundraising 28 R. State Sales and Use Tax Compliance 29

IV. Cost Accounting Policies 29 A. Cost Accounting Period 29 B. Year Zero Organizational and Start-up Costs 29

V. Property Management 30 A. Capital Expenditures 30 Classification & Thresholds 31 B. Disposition of Capital Assets 38 VI. Procurement 39 A. Centralized Purchasing and Preferred Vendor List 39 D. General Procurement Policies & Procedures 45 VII. Payroll and Travel

Policies 50 A. Payroll 50 B. Expense and Travel Reimbursement 55 **VIII. Consultants and Independent Contractors** 61 A. Independent Contractors 61

SY 23-24 Finance and Accounting Policies and Procedures 3 of 62 Last updated November 2023



Draft

SY 23-24 Finance and Accounting Policies and Procedures 4 of 62 Last updated November

2023



I. Policies

Draft

A. Compliance with Laws

- a. Rainier Valley Leadership Academy (RVLA) will follow all the relevant laws and regulations that govern charter schools within the State of Washington. Additionally, U.S. laws and regulations that relate to grant funding will be complied with as the grant funding is received. The Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (commonly called "Uniform Guidance") was officially implemented in December 2014. The Uniform Guidance – a "government-wide framework for grants management" – synthesizes and supersedes guidance from earlier OMB circulars. Sections of the Uniform Guidance will be referenced throughout this policy with the appropriate Code of Federal Regulations ("CFR").

B. Signing Authority

Only specific employees are authorized to financially encumber and make representations on behalf of RVLA. Those employees are responsible for making

authorizations in accordance with policies applicable to the specific item being authorized. Categories of financial encumbrances include:


1. Purchase Orders/Invoices;
2. Expense Reimbursements;
3. RVL A Credit Card Transactions;
4. Service Contracts (require legal and procurement review prior to execution);
5. Loans (require legal and finance department review prior to execution); and
6. Lease Agreements (require legal and finance department review prior to execution).

Other types of documents requiring a signature may indirectly encumber the organization financially and should be reviewed by the legal and finance departments if there is any uncertainty. The limits in the chart below refer to amounts for each encumbrance and align with RVL A's board-approved procurement policy. For example, if a contract encumbers the organization over 5 years for \$12,000/year, the total amount is above \$50,000, thus requiring a signature from the CEO.

SY 23-24 Finance and Accounting Policies and Procedures 5 of 62 Last updated November 2023



| | |
|-----------------|--|
| Position | <p>Limits: Purchase</p> <p>Orders/Invoices, Expense</p> <p>Limits: Service</p> <p>Contracts,</p> <p>Reimbursements, RVL A</p> |
|-----------------|--|

| | Lease Agreements Credit Card Transactions |
|-----------------------------|--|
| Board of Directors-Chair(s) |  \$100,00 and above \$100,00 and above |
| CEO | Less than \$100,000** Less than \$100,000** |
| CFOO | Less than \$50,000* Less than \$50,000* |
| Principal | Less than \$5,000 Less than \$5,000 |

Dra

*Requires a minimum of two (2) quotes or proposals obtained from qualified sources for goods and services greater than \$10,000 and less than \$50,000.

**Requires a minimum of three (3) quotes or proposals obtained from qualified sources for goods and services greater than \$50,000 and less than \$150,000; \$150,000 and above requires comprehensive requests for proposals that include clear, accurate descriptions of goods

and/or services solicited, proposals must be publicized, and a formal method for their evaluation and selection must be followed for more than \$150,000.

All grant applications and agreements must be signed by the CEO.

Checks

Accounts Payable checks shall be authorized by the CEO/President of the Board

ACH Payments and Bank Transfers

All ACH payments and bank transfers can only be processed after the appropriate position has approved the transfer (i.e. executed contract). Only Accounts Payable/Payroll can initiate an ACH payment or bank transfer. The CFO is the second authorization and approval that allows these transactions to be completed by the bank. All ACH payments and bank transfer require dual authorization with the initiator counting as first authorization.

The general checking account shall be reconciled monthly by the Educational Service District, reviewed by the CFOO and approved by the CEO or board chair who does not

SY 23-24 Finance and Accounting Policies and Procedures 6 of 62 Last updated November 2023



have the ability to approve expenses or disburse funds from the account. The monthly bank transactions shall be reviewed and approved by the board or a representative of the

Draft

board who is not an authorized approver of expenses or signer on the account. Authorized signatories to the savings account shall be the Board Chair and Chief Executive Officer.

Employment Contracts

All employment contracts can only be signed by the CEO/CFO/Board Chair/Principal (as a designee when the CEO/CFO are unavailable.) Employees who are not authorized to encumber and make representations on behalf of Rainier Valley Leadership Academy who nevertheless do so may be subject to disciplinary action, up to and including termination.

C. Security of Financial Data and Documents

RVLA accounting software (Skyward Qmlativ) should be reviewed to ensure that general and application controls to unauthorized access to data is precluded (i.e., proper password protection and authorizations for inquiry or browse-only functions.).

The system's accounting data must be backed up daily to ensure the recoverability of financial information in case of hardware failure. The back-up is automatically performed off-site and is the responsibility of Northwest Educational Service District (ESD 101.)

All other financial data, collected cash and checks, unused checks, and unclaimed

checks must be secured by the school-site Dean of Operations from unauthorized access.

Originals of the following corporate documents are maintained and their presence is verified on a periodic basis:

1. Charters and all related amendments
2. RVL A bylaws
3. Minutes of Board of Directors and Subcommittee Meetings
4. Banking agreements
5. Leases or rental agreements
6. Insurance policies
7. Vendor invoices
8. Grant and contract agreements

SY 23-24 Finance and Accounting Policies and Procedures 7 of 62 Last updated November 2023



9. Fixed asset inventory list
10. Contract and grant billings

Draft

11. Financing agreements and debt payment schedules

D. Due Diligence

Rainier Valley Leadership Academy , in recognition of its fiduciary responsibilities, will periodically perform audits and reviews of its processes and departments'/schools'/employees' compliance with these policies.

E. Periodic audits can be expected for:

- Accounts Payable
- Accounts Receivable
- Attendance Reporting
- Construction Expenditures
- Consulting Services
- Corporate Credit Card Charges
- Deposits
- Expense Reports Reimbursements
- Fundraising
- Meal Reporting
- Mileage Reimbursement Claim
- Payroll
- Purchasing
- Restriction of Funds Usage Compliance
 - Federal Restricted Funds
 - State Restricted Funds
 - Private Contract and Grants Funds
- Tax Compliance
- Use of Preferred Vendors

SY 23-24 Finance and Accounting Policies and Procedures 8 of 62 Last updated November 2023



F. Use of Assets

Draft

RVLA employees should not use any of the organization's assets for personal use without the prior written approval of the employee's manager, as appropriate.

G. Credit Cards

Credit cards will be issued only with the formal approval of the employee's manager and RVLA's Chief Financial Officer, with proper justification. The issuance of a credit card and the justification thereof should be based on functional considerations of transactional frequency. The cost/benefit to RVLA should be fully reviewed to ensure that no other method of payment is appropriate. Credit cards that are issued will be assigned to a specific RVLA employee and should be used only for business-related expenditures. The employee is expected to use it for all travel and expense purchases and is discouraged from using personal credit cards for business-related expenditures.

On an annual basis, the Finance and Accounting Department will review the list of cardholders to re-evaluate the need for each cardholder in the coming year. When the employee transfers to a different company or position, the cardholder will surrender his or her card.

Request for temporary credit limit increase may be approved at the discretion of the Chief Financial Officer, with appropriate justification for the increase. Request will be in writing with the cardholder's supervisor's approval.

The cardholder is responsible for all charges on their card, including charges made by

others allowed to use the card. Therefore, RVLA strongly discourages cardholders from allowing others to use their card.

All RVLA credit card charges must be supported by itemized receipts which detail the items purchased and reflect the amount of sales/use tax paid to the vendor. A list of attendees and specific business purposes must also be included. If the expenditure is for professional development, an agenda must be provided. Additionally, employees are required to reconcile their credit card statements to receipts by the 5th of the month. The supervisor must approve credit card expense reports by the 10th of the month. A complete reconciliation must include the month's statement and receipts for all transactions. Failure to provide completed reconciliation for a month will result in suspension of a cardholder's credit

SY 23-24 Finance and Accounting Policies and Procedures 9 of 62 Last updated November 2023



privileges.

Draft

If a cardholder is unable to provide receipts to support every charge, the expense will be considered personal and the cardholder must submit payment with the credit card reconciliation. Unpaid personal expenses will result in suspension of card privileges until the personal balance is paid in full. If the cardholder fails to produce receipts in three (3) or more instances, the cardholder's credit privileges will be revoked permanently.

Cardholders shall avoid using their RVLA credit card for personal purchases. Improper use of a RVLA-issued credit card will result in disciplinary action, up to and including termination.

Refer to the Credit Card Program Reference Manual for detailed information on credit card procedures.

H. Invoicing

Any invoice sent to an individual or business on behalf of RVLA must be prepared and sent from the Finance and Accounting Department in order to ensure accuracy of billing and the most up-to-date invoice template is used.

Invoices must be reviewed by the CFO before being sent.
Invoices must be saved in the form of a PDF document only.

I. Password Protocol and File Access

While protecting files serves a valuable purpose, in a sudden or prolonged absence (e.g., illness or emergency), RVLA needs to ensure work can continue for the remaining team members.

Therefore, Finance & Accounting employees who have password-protected files (such as Excel) or have passwords for systems for which they are the sole administrator (such as PayPal, Dropbox, or Bank of America account) must provide their manager with the passwords, file names, and login information. Before updating an existing password, employees must

SY 23-24 Finance and Accounting Policies and Procedures 10 of 62 Last updated
November 2023



inform their manager of the proposed change as well as the new password to be used.

Draft

This policy shall also apply to login information for government reporting purposes or website that you have created on behalf of RVLA.

The policy does not apply to login information for the computer/network or Skyward Qmlativ.

J. Acceptance of Personal Gifts

No employee may solicit or accept gifts of significant value, lavish entertainment or other benefits from students, parents, donors, vendors, and other stakeholders. Special care must be taken to avoid even the impression of a conflict of interest. Employees are not allowed to accept any gift which would cause the cumulative amount of gifts from an individual source to exceed \$250 during any calendar year, or applicable local/state law, whichever is deemed lesser. If an employee is unsure if a gift will violate this policy, please consult a supervisor or CFO.

The term "gift" does not include:

- Meals provided to RVLA staff at an event at which an official speaks, participates in a seminar or similar activity, or provides a similar service.
- Reimbursement of travel expenses and meals paid for by a local, state, federal or foreign government agency.
- Payment for travel expenses from a nonprofit organization of which RVLA is a member.

II. Financial Management

A. Basis of Accounting

Rainier Valley Leadership Academy will maintain its accounting records and related financial reports on the modified accrual basis of accounting. The consolidated financial statements will be prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

SY 23-24 Finance and Accounting Policies and Procedures 11 of 62 Last updated
November 2023



Draft

B. Revenues

Under the accrual basis of accounting, revenues are recognized when earned, consistent with GAAP applicable to special purpose governmental units. Note that cash basis accounting may be deemed appropriate in accordance with GAAP.

C. Expenses

Under the accrual basis of accounting, expenses are recognized when services are performed or goods are received.

D. Record Keeping

To provide an accurate and auditable record of all financial transactions, Rainier Valley Leadership Academy books, records and accounts are maintained in conformity with GAAP as required by State statutes applicable to charter schools.

Further, Rainier Valley Leadership Academy specifically requires that:

- No funds or accounts may be established or maintained for purposes that are not fully and accurately described within the books and records of the school.
- Receipts and disbursements must be fully and accurately described in the books and records of the subject school.
- No false entries may be made on the books or records nor any false or misleading reports issued.
- Payments may be made only to the contracting party and only for the actual services rendered or products delivered. No false or fictitious invoices may be paid.

E. Timekeeping Policy

When allocating salaries to Federal, State, and Private grants or awards, Rainier Valley Leadership Academy will use the employee's monthly percentage of effort as a reasonable

SY 23-24 Finance and Accounting Policies and Procedures 12 of 62 Last updated
November 2023



allocation base and follow the Federal Uniform Guidance (“OMB Circular”) as well as any other guidance required to be followed by each individual grant or award. The monthly time

Draft

certification will be signed off on a monthly (but no more than a semester) basis by both the employee and their direct supervisor. In the event of employee termination, leave of absence, or other event that prevents the employee from executing their effort certification, the certification will be signed by the employee's supervisor or grant manager.

If an employee's salary is allocated one-hundred percent to a single award or Rainier Valley Leadership Academy cost objective, that employee only needs to complete a semi-annual certification confirming that they spent one-hundred percent of their time on the specified award or Rainier Valley Leadership Academy cost objective. The use of semi-annual certification will be optional depending on the grant or award and its objectives; otherwise, a monthly certification will be completed.

Employees allocated to restricted funds are trained on how to complete an Effort Certification and the purpose of Effort Certifications. Employees are also trained on how to complete the paper form Personnel Activity Report ("PAR"), as needed. Employee(s) are trained as soon as official notices of award and/or approved budget(s) are received by Rainier Valley Leadership Academy.

Any corrections to certified and submitted Effort Certifications needed after the payroll period and/or accounting period have been closed will be made through the use of PAR forms. The PAR will be signed in the same manner as Effort Certifications processed. In compliance with the Fair Labor Standards Act (FLSA), hourly employees must complete a report indicating the total number of hours worked each day.

F. Chart of Accounts

Rainier Valley Leadership Academy's Chart of Accounts was developed to conform to the Accounting Manual for Public Schools Districts in the State of Washington and the Washington Commission.

SY 23-24 Finance and Accounting Policies and Procedures 13 of 62 Last updated
November 2023



G. Budget

Draft

School-level and Home Office/District department-level budgeting is a collaborative effort between Home Office/District and schools. Rainier Valley Leadership Academy prepares an annual operating budget of revenues and expenses, five year projections, and cash flow projections. These budgets and projections are reviewed and approved by the Board of Directors on an annual basis in June (final approved no later than August annually) and modified in October after the first reporting cycle of the academic school year in order to adjust

for actual student enrollment.

As part of the budgeting process, Rainier Valley Leadership Academy considers the training needs of classified school employees whenever funds are budgeted for the professional development of any school site staff. This is to ensure the appropriate scaling of support and growth of our classified staff alongside the teaching staff.

The management team, the Finance Group of the Board of Directors, and the Board of Directors review financial statements on a quarterly basis, typically within 45 days after the end of the quarter.

H. Type, Sources, and Uses of Funds

Rainier Valley Leadership Academy maintains a firm commitment to ensure that funds are used only for their intended purpose in accordance with all applicable laws, regulations, and donor requirements. Furthermore, Rainier Valley Leadership Academy will ensure that funds are sufficiently segregated to provide for an appropriate level of visibility and internal control.

For example:

Funds received from Federal, State, and local sources will be used only as specified in the applicable directives.

Funds received from donors will only be used in strict accordance with the donor's wishes.

Funds raised by school-sites either through activities or student events will only be used in fulfillment of the commitment(s) made as to the purpose of these

SY 23-24 Finance and Accounting Policies and Procedures 14 of 62 Last updated November 2023



fundraising activities.

Draft

Federal Awards – Allowable Costs

Except where otherwise authorized by statute, costs related to federal awards must meet the following general criteria in order to be allowable under Federal awards (2 CFR §200.403): Be necessary and reasonable for the performance of the Federal award and be allowable thereto under these principles.

Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity.

Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

Be determined in accordance with GAAP, except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

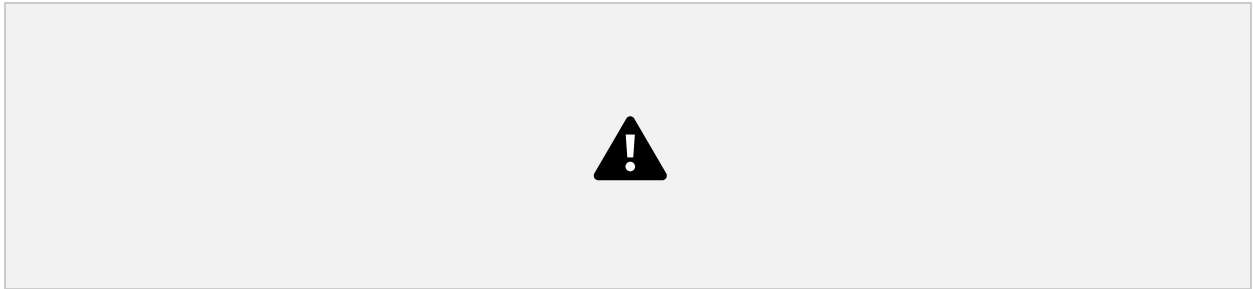
Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.

Be adequately documented.

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal

Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise (2 CFR §200.410).

SY 23-24 Finance and Accounting Policies and Procedures 15 of 62 Last updated
November 2023



Grant Expense Tracking

In order to ensure efficiency in Rainier Valley Leadership Academy 's accountability and

internal

Draft

control procedures that meet the requirements of funding agents such as federal, state, local, and private agencies; a minimum award amount of \$100,000 will be required in order for the Accounting team to “tag” and track revenue and expenses within Rainier Valley Leadership Academy’s general ledger. The “tagging” process is one in which expenses incurred and paid with grant funds are coded with the respective general ledger codes. Other criteria will also be considered to determine adequate tagging and tracking of grants. These criteria include funding agent imposed restrictions, reporting of grant expenses to funding agents based on budget versus actual, and fiscal monitoring by funding agent.

Grants that are less than \$50,000 and that do not meet the criteria mentioned above will be informally tracked by the respective Rainier Valley Leadership Academy department and/or Program Manager, if assigned, that is the beneficiary of the award. The Finance and Accounting Team may provide support to said department or Program Manager to develop an informal tracking process but will not track the expense.

From time to time exceptions to the \$100,000 grant minimum may be made based on the specific grant requirements from the funding agent. Exceptions will also be considered if multiple individual grants that support a single or common purpose sum to \$100,000 or more in aggregate and meet the criteria mentioned in the previous paragraph.

Exceptions to grant expense tagging and tracking will also be made for grants that are \$100,000 or more but have no specified requirements. Revenue and expense for these grants that are void of specific requirements will not be tagged or tracked using general ledger coding.

I. Scholar Fees

RVLA is not authorized to charge a general tuition fee for attendance at its publicly maintained elementary or secondary schools (kindergarten through twelfth grade) and may not charge any special fees for attendance at particular courses offered within such publicly maintained K-12 programs.

RVLA may provide free use of textbooks or other materials and supplies to all of its students. If it does not provide free use of textbooks or other materials and supplies it may require these

SY 23-24 Finance and Accounting Policies and Procedures 16 of 62 Last updated
November 2023



items be purchased by, or for, the students at bookstores or other commercial retail outlets; however, it cannot require students to purchase such textbooks or other materials and supplies

Draft

from RVLA itself.

If RVLA loans free textbooks or other materials and supplies to its students, it may charge a refundable deposit fee to cover possible loss or damage.

RVLA is authorized to operate lunchrooms and to charge for lunches sold therein.

RVLA may request voluntary field trip fees to help subsidize the transportation, admission or general costs of a field trip. However, to the extent that the student's participation in the educational activity or project is legally required, parents/students must be notified the payment is voluntary and students shall not be denied participation based on his or her inability to pay the voluntary fee.

A fine may be imposed for the cost of replacing materials or property which are lost or damaged due to negligence.

Students desiring to participate in an optional graduation ceremony or to obtain an optional class picture or acquire an optional yearbook may be required to rent a cap and gown to be worn in such ceremony or to pay for these other items.

Schools may establish and collect a reasonable fee from students and nonstudents as a condition to their attendance at optional noncredit extracurricular events that are of a cultural, social, recreational or athletic nature. However, the school must waive or reduce said fees in the case of students whose families, by reason of their low income, would have difficulty in paying the entire amount of such fees.

J. Acceptable Use of Public Funds

The term “public funds” is not limited to money, but includes anything of value belonging to a public agency such as equipment, supplies, compensated staff time, and use of telephones, computers, fax machines, and other equipment and resources.

SY 23-24 Finance and Accounting Policies and Procedures 17 of 62 Last updated
November 2023



Due to the receipt of public funds from various public sources, there is increased scrutiny over Rainier Valley Leadership Academy’s use of public funds. Rainier Valley Leadership Academy

Draft

adheres to applicable laws regarding the use of public funds. Private funds comingled with public funds are considered public funds and must be spent in accordance with applicable law regarding allowable use of public funds.

Gifts of Public Funds

Using public funds for gifts of a personal nature is not allowed because they confer a tangible benefit to an individual. Except as explained below, gift certificates, flowers, and candy are most often viewed as personal as opposed to public in character and, therefore, should not be purchased by Rainier Valley Leadership Academy employees. Gift certificates or gift cards are characterized as gifts of public funds and, therefore, are not allowed, except when purchasing gas cards for students designated as homeless under the McKinney Vento Act. However, gift certificates and gift cards originating directly from a donation from external vendors or individual contributors can be transferred by Rainier Valley Leadership Academy administrators to employees for various organizational purposes. The employee is responsible for ensuring that the gift or benefit received is in accordance with the “Acceptance of Personal Gifts” section of this policy.

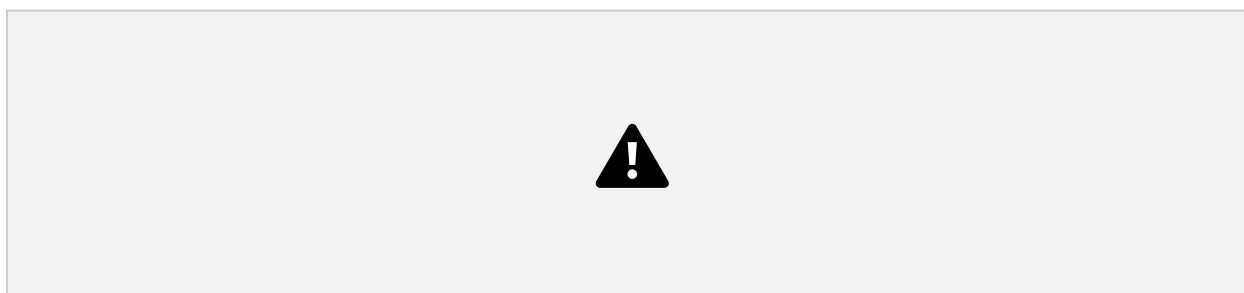
Staff appreciation meals are considered a gift of public funds and, therefore, not allowed due to the fact that staff appreciation meals do not serve a direct and/or substantial public purpose. Note that meals served at professional development trainings are allowable. Employees must provide appropriate support or proof that a professional development session took place. Appropriate support includes, but is not limited to, an agenda, a brief description of the session,

and a list of participants.

Flowers may be used for awards ceremonies or as decorations for public events.

Additionally, Rainier Valley Leadership Academy 's funds shall not be used for donations to nonprofit organizations or students/families in need because they are considered a gift of public funds, no matter how worthy the cause. Rainier Valley Leadership Academy 's tax identification numbers allow donations to the schools to be tax deductible, but once the funds are received,

SY 23-24 Finance and Accounting Policies and Procedures 18 of 62 Last updated
November 2023



they are commingled with other monies received for a variety of purposes. Sending a portion of the funds to another nonprofit agency constitutes a gift of public funds.

Draft

In general, fundraising that occurs should be for the benefit of the school and not for other organizations. However, a group of students or employees may organize a fundraiser to support a charity as long as the event is clearly identified as raising funds for that charity. All donations not going to Rainier Valley Leadership Academy should be in the form of checks made payable

to the charity and should be picked up by, or delivered to, the charity so that funds are not deposited into the Rainier Valley Leadership Academy bank account (note—such donations are also not eligible for a tax exemption letter provided by Rainier Valley Leadership Academy as Rainier Valley Leadership Academy is not the recipient.) Rainier Valley Leadership Academy resources should not be utilized to support outside charity and funds cannot flow through Rainier Valley Leadership Academy .

K. Audit Group

The Audit Group is a subgroup of the Board of Directors and is charged with overseeing the audit process, recommending the approval of the audited financials to the Board of Directors and screening and selecting Rainier Valley Leadership Academy 's auditors.

L. External Auditors

Rainier Valley Leadership Academy's external auditors from a public accounting firm must be approved by the Audit Group of the Board of Directors and hold appropriate certifications. The external auditor's contract can be either annual or multi year but at a minimum, must be reviewed annually.

M. Audit Requirements

An annual fiscal audit shall be performed by an independent CPA firm, and shall include, but not be limited to:

1. An audit of the accuracy of Rainier Valley Leadership Academy 's financial statements;

SY 23-24 Finance and Accounting Policies and Procedures 19 of 62 Last updated
November 2023



2. An audit of Rainier Valley Leadership Academy 's attendance accounting and revenue claims practices;

Draft

3. An audit of Rainier Valley Leadership Academy 's internal controls practices; and
4. Rainier Valley Leadership Academy is also subject to a single or program specific audit conducted for the fiscal year if federal award expenditures exceed \$750,000 in a fiscal year.

Prior to submission, the completed audit report shall be reviewed by Rainier Valley Leadership Academy 's Audit Group and Board of Directors. The approved audit report will be submitted to the charter-granting agencies, and the Washington State Office of Superintendent of Public Instruction (OSPI) prior to the last day of February following the close of the fiscal year.

III. Policies Related to Assets, Liabilities, and Net Assets

A. Bank Accounts

All bank accounts will be established in strict accordance with RVLA bylaws and the terms and conditions agreed to with the hosting financial institution.

At a minimum, RVLA will maintain the following:

- A **Non-Public Funds** Checking Account into which all non-payroll related deposits

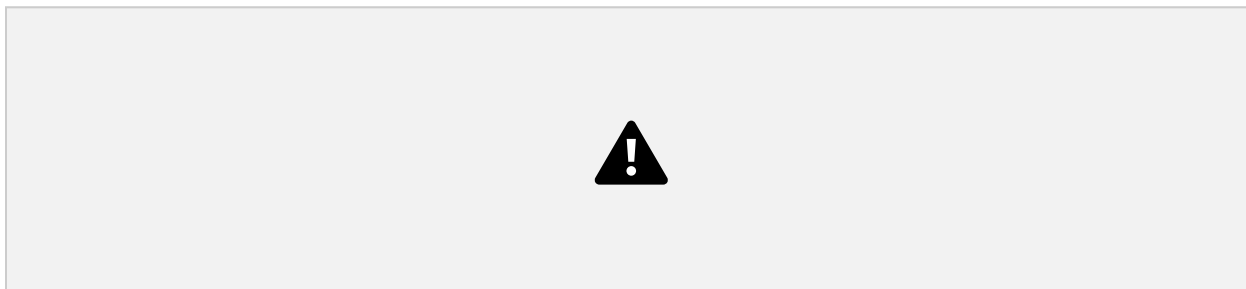
and disbursements will be made. Note that fundraising derived by the Home Office/District Office Departments are deposited into this account.

- A **Public Funds** Checking Account which all payroll and accounts payables for public funds use

B. Deposits

School site Dean of Operations or Office Coordinators/Managers receive cash or checks from teachers, fundraising, parents, and other sources (i.e., cheerleading, soccer, class trips,

SY 23-24 Finance and Accounting Policies and Procedures 20 of 62 Last updated November 2023



uniforms, lunches, yearbooks, and donations). Checks collected must specify purpose, date, and amount of the payment. Payments must be evidenced by a receipt. A log of payments is

Draft

acceptable under certain circumstance when giving an individual a receipt is not feasible (i.e., small dollar amounts for snack items). Verification as to the accuracy of funds received and recorded must be evidenced by the Dean of Operations and the person responsible for accepting the funds (i.e., program manager, teacher or office assistant) by making an entry in

the Receipt Log. Funds must be kept in a secure location at the school site until the scheduled pick-up/drop-off occurs. Deposit records must be emailed to the ESD Business Manager immediately after completion of the deposit. Unless there was no money collected, there should be at least one deposit per week. If a deposit does not occur during the week, then this fact should be communicated to Chief Finance and Operations Officer via email. Back-up documentation must be kept at the school site.

All money should be deposited weekly on a regular drop off and predictable day unless arrangements for an armored transport service are in effect. Home Office/District and school sites must deposit all money before spring, summer and winter breaks. Requests to cancel or change regular deposit pick-ups should be communicated and approved by the CFOO prior to the pickup being changed. Checks must be deposited within one week of the receipt of the check.

C. Outstanding Check Policy

RVLA writes approximately 1,000 checks per year. For one reason or another, some checks do not clear the bank. The check may be lost, stolen, destroyed, or just not presented by the payee for payment. Checks that have been written but have not cleared the bank are called outstanding checks.

Each month, RVLA obtains a printout of outstanding checks on the payroll and Accounts Payable accounts. The printout lists each outstanding check in check number order and will include the date the check was issued, the amount of the check and the payee. RVLA makes a concerted effort to resolve all checks outstanding for at least 90 days. A form letter will be sent to the vendor or payee asking if they have received the check and what further action will be taken. A re-issuing of the check may occur if the check is reported lost or stale-dated; otherwise, the payee is encouraged to cash the active check within 90 days of the check-issuance date. If no response is received within 30 days of the initial notification, a stop payment will be placed on the outstanding check and the payment will be written off.

SY 23-24 Finance and Accounting Policies and Procedures 21 of 62 Last updated
November 2023



D. Donations and Fundraising

Draft

In keeping with RVLAs tax-exempt status, RVLAs Development Department focuses on grant writing and fundraising for RVLAs and its schools. However, RVLAs encourages schools and employees to obtain additional monetary and non-monetary donations through individual grants, personal relationships, and fundraising events which will benefit the school and organization.

Employees should check with their supervisor or department head prior to soliciting any donations or setting up any fundraisers to ensure compliance with local, state, and federal laws as well as RVLAs internal policies. Prospective donations from large organizations or individuals should be coordinated with RVLAs Development Department prior to pursuing the donation.

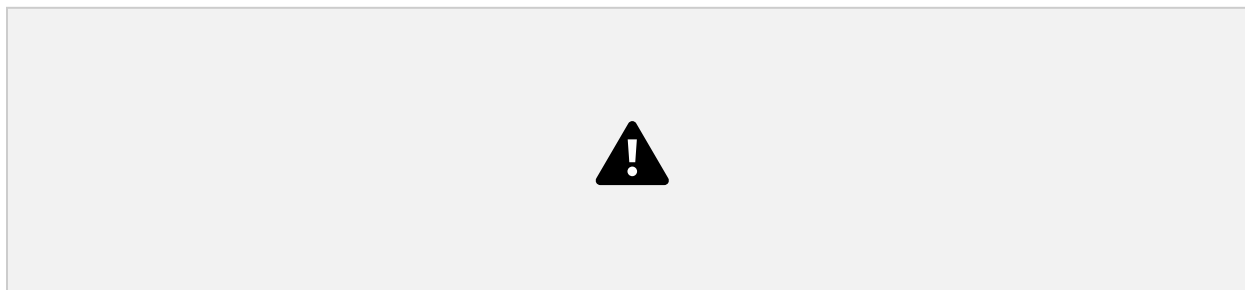
A myriad of laws and regulations governing donations to charitable organizations as well as rules related to using funds only in strict accordance with the donor's wishes require the following:

- Solicitations of donations including school-site fundraising must be explicit as to the purpose(s) for which the funds are being sought.
- Donations exceeding \$25 must be acknowledged in writing, and will be done so with RVLAs Development department.
- Under rare, applicable circumstances, separate restricted accounts will be required to ensure that donor funds are handled appropriately.
- All donor funds will be promptly recorded and then deposited into the applicable bank account.
- Employees responsible for monitoring donor funds will ensure that the funds are used strictly in accordance with the donor's understanding as to why the funds were raised and/or any specific written restrictions.
- Once a restriction has been fulfilled, any remaining funds will be returned to the donor(s),

if required, or transferred to unrestricted funds for use in the support of RVLA' mission.

If a potential donor wishes to make a financial gift to RVLA, please check with your school principal and/or direct the donor to the RVLA's Development Department. Donors should be reminded that to protect the deductibility of their contributions, the appropriate RVLA entity should be listed as the recipient of the funds rather than the individual school, if applicable. RVLA will ensure that all donations earmarked for an individual school will be restricted to the specified use by the named school(s).

SY 23-24 Finance and Accounting Policies and Procedures 22 of 62 Last updated November 2023



Rainier Valley Leadership Academy (FEIN: 46-4128856);

Draft

All payments should be made payable to Rainier Valley Leadership Academy. If the donation is for a specific school, the school to receive credit for the funds should be noted elsewhere on the documents (e.g., the memo area of the check) to ensure the donation is earmarked for the individual school and will be restricted to the specified use by the named school(s).

E. Donation of Assets

RVLA recognizes the value of donated goods that may be offered on a sporadic basis without charge to the organization. All donated goods must be related to an educational function and must be approved by the Principal or RVLA Department Head.

Acceptance of Goods:

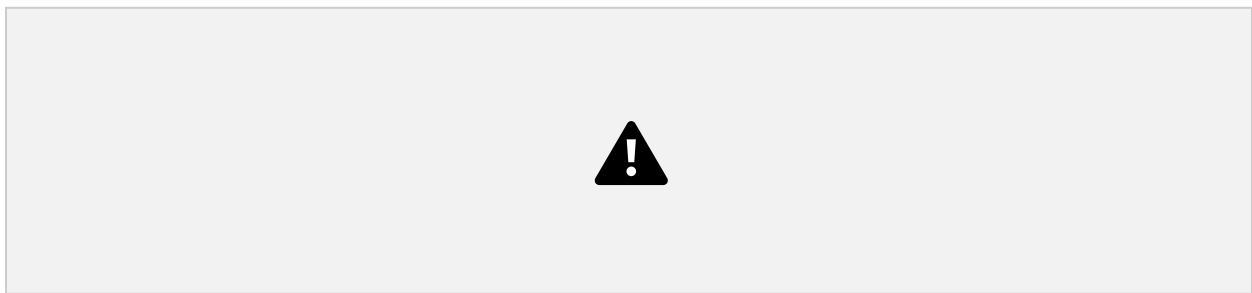
- A description of the goods, including the value and contact information for the donor must be provided to RVLA’s Finance and Accounting Department upon acceptance. ● Technology equipment must meet the standards comparable to those already established by RVLA. Please contact the RVLA technology department prior to accepting any technology goods.
- Goods that will be attached to the building or grounds must be assessed by a member of the RVLA Operations team prior to acceptance. These goods may create ongoing costs, therefore, a thorough evaluation of such costs should be completed prior to acceptance (i.e., installation, electricity, maintenance).
- Acceptance of goods shall be made without any reciprocating commitment by any employee on behalf of RVLA.
- RVLA may request evidence of ownership of any good prior to acceptance. ● All goods donated shall be accepted solely for benefit of students and not for any salary, benefit and/or stipend.

Use of Goods:

All donated goods shall be considered the property of RVLA. Employees who receive donated goods must leave those items with the school if they leave RVLA, unless otherwise stated, in writing, by the donor. Such instructions must be provided at the time of donation.

RVLA will not perform an appraisal and will not place any value for donated goods on behalf of the donor. The donor shall be responsible for obtaining their own appraisals for tax purposes, along with any fees or other expenses that may be related to such an appraisal.

SY 23-24 Finance and Accounting Policies and Procedures 23 of 62 Last updated November 2023



RVLA may decline an offer for goods if it is deemed not to be in the best interest of

Draft

RVLA. Such a decline may include, but is not limited to:

- Technology or other goods that do not meet the RVLA required minimum standards; An offer that would initiate an additional expense for service or ongoing maintenance; or
- An offer that would create unreasonable inequity to a specific segment of the student population.

Any uncertainty as to whether a donated good falls under the acceptable RVLA policy should be directed toward the applicable RVLA department head or the RVLA Finance and Accounting Department.

F. Petty Cash

Since the Principals at each school site have a credit card for school supplies, expenses, and unforeseen costs, petty cash funds are no longer necessary at the school sites.

G. Liability for Compensated Absences

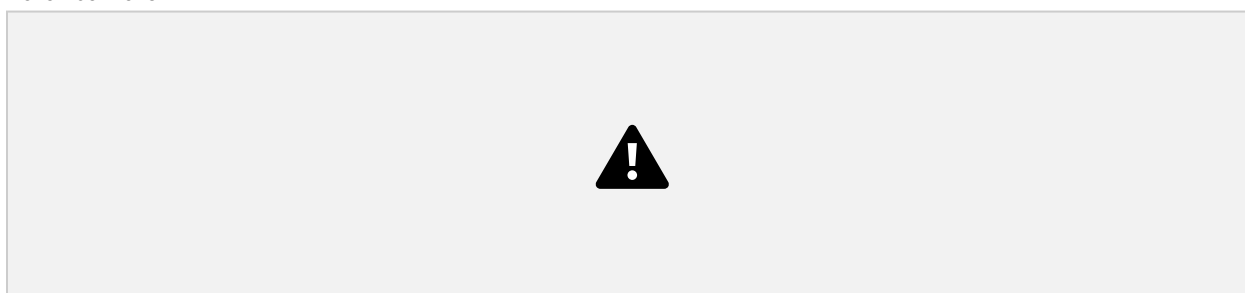
Compensated absences arise from employees' vacation leave or other designated circumstances. While RVLA expects to pay an employee for such compensated absences, a liability for the estimated probable future payments is accrued if all of the following conditions are met:

- The employee's right to receive compensation for the future absences is attributable to

- services already performed by the employee;
- The employee's right to receive the compensation for the future absences is vested or accumulated;
- It is probable that the compensation will be paid; and
- The amount of compensation is reasonably estimable.

Compensated absences not required to be paid upon employee termination are only recorded when paid.

SY 23-24 Finance and Accounting Policies and Procedures 24 of 62 Last updated November 2023



H. Unused Sick Time Policy

Draft

Please refer to the Employee Handbook charts. Sick leave can be accumulated without limit, and is not paid out upon separation from employment. Pay stubs shall display the total balance of an employee's accumulated sick leave hours.

Employees who are eligible to participate in a state-sponsored pension with RVL A shall be entitled to transfer sick leave accrued from previous employment in a school district, charter school or public school within the same state while participating in a state pension so long as the sick leave is verified appropriately by the prior employer. Please see RVL A's Human Resources Department for the "Transfer of Accumulated Sick Leave" form.

Per Government Accounting Standards Board ("GASB") Statement 16 and Accounting Standards Codification ("ASC") 710-10-25-1, unused sick time is not a recordable liability, particularly due to the fact that there will be no payment at any time. Therefore, RVL A will not record unused sick time accrued by certificated staff in the general ledger. The tracking of these hours by the Human Resources Department will be considered sufficient.

This policy does not apply to **year round** Classified or Certificated employees who accrue for paid time-off ("PTO") which is to be used for vacation. Year round Certificated and Classified employees accrue sick time off leave . Unused PTO balances are accrued in the general ledger. Refer to the Employee Handbook for the restriction concerning the limit of accrued PTO hours allowed.

I. Prepaid Expenses

RVL A has adopted a \$5,000 threshold for prepaid expenses that occur within the same fiscal year. This means if an expense is under \$5,000 and it is for an event that will occur in the future months but within the same fiscal year as the closing period, it will be booked to an expense account, not a prepaid expense account, which is an asset account. Note that this threshold does not apply to year-end accrual procedures.

This accounting treatment applies to prepaid journal entry, credit card entry, bank entry, and accounts payable.

Exception:

SY 23-24 Finance and Accounting Policies and Procedures 25 of 62 Last updated November 2023



The threshold does not apply to the prepaid expense items where expenses will take

Draft

place in the next fiscal year. Therefore, it is critical to include in the entry description when the event will take place to ensure appropriate booking to the correct fiscal period.

J. Accounts Payable Monthly Expense Accrual Policy

RVLA has adopted a \$5,000 threshold for accounts payable monthly expense accruals. On a monthly basis, the Accounting Department will accrue accounts payable invoices received or paid after the month-end closing date whose services have been rendered or goods have been received by RVLA in the closing period.

K. Raffles

Legal requirements must be followed when conducting raffles to avoid any appearance of gambling. Students shall not be barred from an event or activity because they did not participate in the raffle. Potential donors, including parents/guardians and community stakeholders, should not be unduly pressured to contribute to RVLA or its schools. Staff is expected to emphasize the fact that donations are always voluntary.

RVLA may conduct raffles to raise funds for beneficial or charitable purposes in the state subject to the rules outlined in Washington Administrative Code Section 230-11 et seq. RVLA may offer two unlicensed raffles to the public each year, if the combined gross revenue from the two raffles does not exceed \$5,000 in a calendar year. If the limits are exceeded, you will need to apply for a raffle license. If any employee desires to organize

a RVLA sponsored raffle, please contact RVLA's Finance and Accounting Department in advance for more information to comply with applicable laws.

L. Prizes and Awards

Students: To recognize student achievement, prizes and awards may be issued. Prizes and awards are gifts of tangible personal property presented to students in recognition of outstanding achievement in academic performance or other performance-related activities that involve a skill rather than luck and are part of the educational experience. The prize or award cannot be cash or a cash equivalent (e.g., gift cards).

SY 23-24 Finance and Accounting Policies and Procedures 26 of 62 Last updated
November 2023



Employees: Awards may be issued to recognize employee achievement. An employee achievement award is an item of tangible personal property that must be awarded as part of a

Draft

meaningful presentation. The prize or award cannot be cash or a cash equivalent. The award should be of a de minimis nature with a value of less than \$200 per employee and

provided infrequently. On an annual basis, employee achievement awards may not exceed \$400 per employee. The purpose and description of the prize/award must be provided during the purchasing and payment process. Since monetary prizes and awards are not allowed, gift cards may not be purchased.

To award employees for exceptional contribution, RVLA must find that the employee did one (1) or more of the following:

- Proposed procedures or ideas that thereafter are adopted and effectuated, and that resulted in eliminating or reducing expenditures or improving operations. ●
- Performed special acts or special services in the public interest.
- By their superior accomplishments, made exceptional contributions to the efficiency, economy, or other improvement in the operations of RVLA.

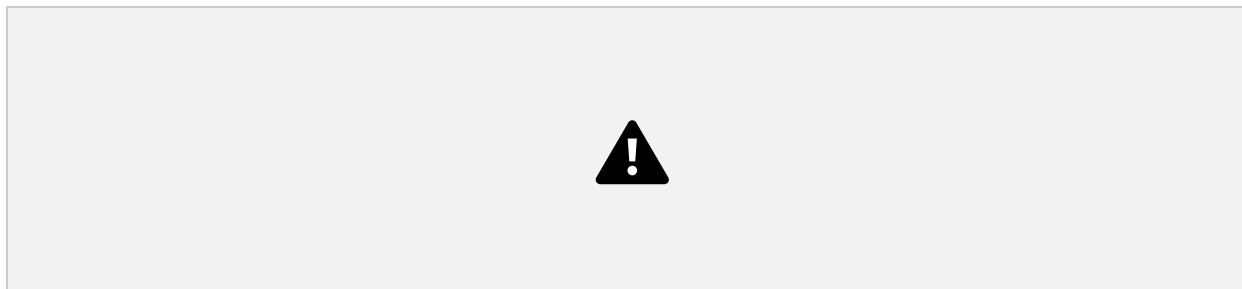
Life transition events such as birthdays, weddings, holidays and other similar circumstances can happen to anyone and cannot be considered superior accomplishments, or merit an award.

O. Scholarships

RVLA is proud to act as a conduit for donors who wish to make contributions to assist students by helping to defray the cost of either their secondary or post-secondary education. It is recognized that donors may specify the conditions under which such aid may be awarded. However, RVLA retains the right not to accept any largess or make any award that in its opinion may be construed to be discriminatory in nature.

From time to time, RVLA may offer an award to students to assist with the cost of post secondary education. The qualifications for receiving these funds, the amount of the award(s) and the terms for selection of the final awardee(s) will be made available to all RVLA students. At the time of selection, awardees will be provided with a RVLA pledge specifying the conditions and the amount of the award. However, the purpose of these awards is to promote continuing education and, as such, checks will not be made payable to an awardee. Awardees can request that funds be disbursed directly to a post-secondary school of their choice to be used solely to support their education under the condition that no refund of unused funds can be made directly to the awardee. As an alternative, awardees can elect to request reimbursement of education-related expenses up to the amount

SY 23-24 Finance and Accounting Policies and Procedures 27 of 62 Last updated November 2023



of the award upon the presentation of adequate expenditure documentation.

Draft

RVLA sites may not use company resources or company time to establish scholarship programs that aim specifically to provide financial assistance for students who cannot qualify for college attendance financial aid from any Federal sources due to the student's undocumented status. To avoid the mingling of private donations for this specific purpose with the state and federal funding, the schools are encouraged to work with an outside agency that accepts donations for this purpose.

Q. School Site Fundraising

Schools may fundraise in several different ways. Depending on the purpose of the fundraising, schools can choose the best method to raise funds to match the need. All school fundraisers must be approved by the Principal (or designee) prior to beginning the fundraiser.

Furthermore, any fundraising occurring on a digital media platform (i.e., school-based webpages and social media pages, Go Fund Me, Donors Choose, etc.,) will need to be communicated to RVLA's developmental department prior to going live.

One way to fundraise is by using RVLA's tax exempt status. In order to do this, all donor checks must be made payable to the RVLA regional entity in which the school operates or the fundraising campaign must be posted using RVLA's crowdfunding platform or another crowdfunding platform with which RVLA has registered. In order to fundraise using RVLA's tax exempt status, the fundraiser must meet the following criteria:

- Educational in nature;

- Open to all eligible students for which eligibility is determined through an objective

and measurable test (e.g., “students must have a minimum 3.0 GPA to participate.”); and

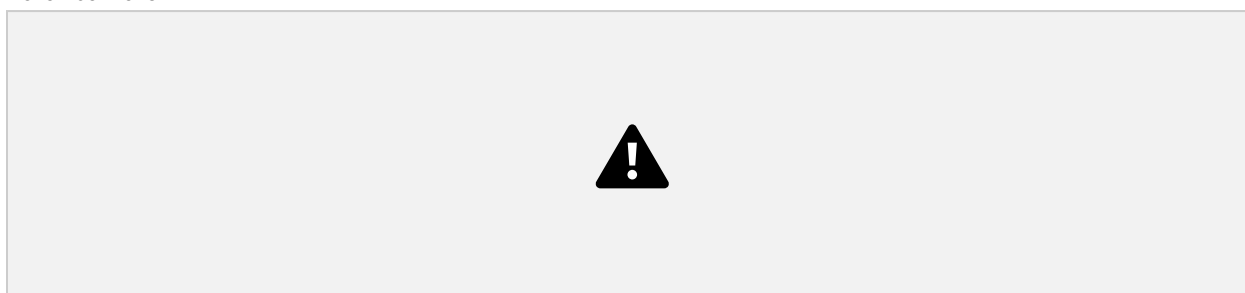
- Is not a gift to a specific individual who would privately benefit (e.g., fundraising to purchase school supplies for one particular student).

Some examples of fundraisers that cannot be held using RVLA’s tax exempt status include:

- Gift certificates for individuals;
- Donations to charities (e.g., you cannot fundraise to buy blankets that students will give out to the homeless); or
- Political or religious activities

SY 23-24 Finance and Accounting Policies and Procedures 28 of 62 Last updated

November 2023



If there is any uncertainty about using RVLA’s tax exempt status for a fundraiser, schools should contact RVLA’s Development Department. Schools planning fundraisers

Draft

that involve raffles and/or auctions must contact RVLA’s Finance and Accounting Department to ensure compliance with state and federal regulations. Fundraising

proceeds will only be disbursed in accordance with RVLA's standard practices and in accordance with the reason(s) for which the funds were raised.

If a school wishes to raise funds for purposes outside the realm of RVLA's tax exempt status, schools can choose to create personal campaigns through crowdfunding sites like Go Fund Me. Donations received through Go Fund Me are considered to be personal gifts which, in general, are not taxable income in the United States (employees should check with a tax expert if they are unsure). Although personal campaigns through a crowdfunding site can be a great way to raise funds, donors do not receive a tax exemption for their donation.

Regardless of which fundraising method a school chooses, all fundraisers must be approved by the Principal (or designee) and comply with state and federal regulations.

R. State Sales and Use Tax Compliance

School must pay sales tax at the time of purchase on all taxable goods sold in the student stores, such as uniforms, student supplies, and yearbooks. Therefore, the school does not report and pay the sales tax from the student store sales as these sales are not taxable.

IV. Cost Accounting Policies

A. Cost Accounting Period

RVLA's fiscal year begins on September 1st and runs through August 30th. The same accounting period is used for all adjusting entries and accruals.

B. Year Zero Organizational and Start-up

Costs Organizational Costs

SY 23-24 Finance and Accounting Policies and Procedures 29 of 62 Last updated November 2023



The term Year Zero refers to expenses occurring before a new school or region commences its first year of operations. RVLA will incur organizational expenses on its books necessary

Draft

to set up new regions and new schools. Examples of organizational expenses include travel, legal, curriculum development, back-office set-up, etc. RVLA may bill schools for these reimbursable expenses and services. Board approval or Authorizer approval of a new school will trigger RVLA to bill a region for such organizational costs.

Other Start-up Costs

New regions and schools will obtain financing to fund start-up costs such as furniture, equipment, leasehold improvements, textbooks and computers. These costs and related funding will be recorded on schools' books.

V. Property Management

A. Capital Expenditures

Purpose

The purpose of this Policy is to establish guidelines for the control of capital assets owned by RVL A. Such controls protect capital assets, preserve the life expectancy of capital assets, and avoid unnecessary duplication of assets.

Definition

A capital asset, for the purposes of these policies, is defined as tangible property owned by the organization and property leased from others that qualifies as a capital lease or leasehold improvement with a useful life that extends beyond the year it is placed in service and meets the definition and capitalization threshold for the particular classification of the asset.

Capital Expense Purchasing

Prior to acquisition of a capital asset, a Project Expense Request (“PER”) form must be filled out and approved as per the PER procedures. PERs will be quickly approved based on inclusion of projects in the Capital Asset Budget. Projects or purchases not included in the

SY 23-24 Finance and Accounting Policies and Procedures 30 of 62 Last updated
November 2023



Capital Asset Budget must be supported by high need to gain approval; otherwise, the project/purchase should be included in the Capital Asset Budget in a future fiscal year.

Classification & Thresholds



Assets purchased, constructed or donated that meet or exceed RVLA’s established capitalization thresholds must be uniformly classified. Standard capitalization thresholds for capitalizing assets have been established for each asset category. RVLA has invested in a broad range of capital assets that are used in operations, which include:

Classification & Thresholds

Assets purchased, constructed or donated that meet or exceed RVLA’s established capitalization thresholds must be uniformly classified. Standard capitalization thresholds for capitalizing assets have been established for each asset category. RVLA has invested in a broad range of capital assets that are used in operations, which include:

| Description | Threshold |
|-------------|-----------|
|-------------|-----------|

Dr

Land - AS OF 6/30/17, RVLA does not own

any real property. Real

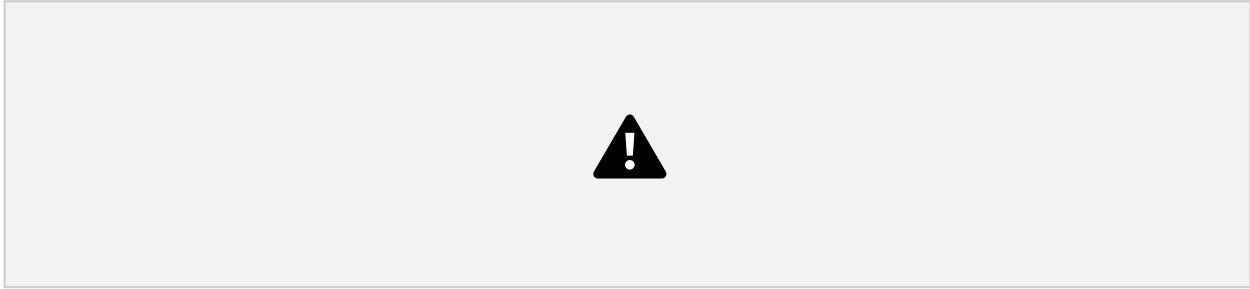
Capitalize All

property that is purchased or acquired by gift or bequest for operating purposes regardless of value.

Land Improvements - AS \$5,000, such as
OF 6/30/17 RVLA does not own any real property. Gifts acquired or costs incurred to prepare land for its intended business use in excess of \$5000
landscaping shrubbery, roads, sidewalks, fences, bridges, lighting, sewers, and athletic fields, tracks and courts.

Buildings and improvements/betterments – \$5000

SY 23-24 Finance and Accounting Policies and Procedures 31 of 62 Last updated
November 2023



AS OF 6/30/17 RVLA
does not own any real property. All structures

Draft

used for operating purposes including all permanently attached fixtures, machinery, and other components that cannot be removed without damage, such as boilers, furnaces, air conditioners, elevators, wiring, and lighting fixtures. All additions, alterations, remodeling or renovations to structures in excess of \$5,000 that increase the value of the property, that make it more useful or that lengthen its life. Betterments consist of the replacement of a unit of an existing asset by an improved or superior unit resulting in a more productive, efficient or longer useful life. Betterments in excess of \$5,000 are considered as fixed assets and should be added to the value of the structure that is improved. Replacement of a part of an existing asset by another of like quality is not betterment, even though the useful life is maintained or extended.

Leasehold improvements/betterments – \$5000

Expenses incurred to increase the service capacity of a leased asset, such as additions, alterations, remodeling or renovations in excess of \$5,000.

Betterments consist of the replacement of a unit of a leased asset with an improved or superior unit, resulting in a more productive, efficient or longer useful life. Replacement of a part of an

SY 23-24 Finance and Accounting Policies and Procedures 32 of 62 Last updated November 2023



existing asset by another of like quality is not betterment, even though the useful life is maintained or extended.

Draft Capitalize • Fencing/gates,

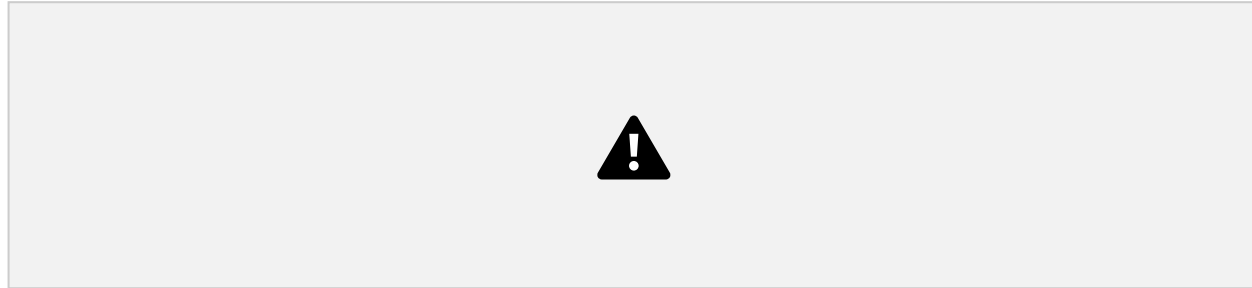
- parking lots, lighting systems and
- Athletic fields
- Conversion of unusable space to usable space
- Structures attached to the building
- Installation or upgrade of HVAC systems
- Original installation or upgrade of wall coverings or floor coverings
- Installation or upgrade of plumbing and electrical wiring
- Installation or upgrade of phone systems, security systems, networks, fiber
- optic cable, wiring required in the installation of equipment that will remain
- in the building
- Installation of partitions to allow better use of space
- Installation of built-in cabinets.

Expense • Adding, removing and/or moving of walls relating to renovation projects that are not considered major

rehabilitation projects and do not increase the value of the building

- Improvement projects of minimal or no added life expectancy and/or value to the building

SY 23-24 Finance and Accounting Policies and Procedures 33 of 62 Last updated November 2023



- Plumbing or electrical repairs
- Cleaning, pest extermination or other

raft

periodic maintenance

- Interior decorations, such as draperies, blinds, wallpaper.
- Maintenance-type interior renovation, such as repainting, touch-up plastering, replacement of carpet, tile,

| | |
|--|---|
| | <p>or panel sections, and sink and fixture refinishing</p> <ul style="list-style-type: none"> ● Exterior decoration, such as detachable awnings, uncovered porches and decorative fences ● Maintenance-type exterior renovation, such as repainting, replacement of deteriorated siding and roof or masonry sections ● Replacement of a part or component of a building with a new part of the same type and performance capabilities, such as replacement of an old boiler with a new of the same type and performance capabilities and replacement of a roof |
|--|---|

D

Furniture and Fixtures – Tangible personal

\$5000

property purchased or acquired by gift to be used for operating purposes in excess of \$5,000, such as automobiles, musical instruments, laboratory equipment, and office furniture.

| | |
|---|--------|
| Computer Equipment – All information | \$5000 |
| technology equipment, including high-end mainframes, minicomputers, | |



personal computers (microcomputers used by a single user such as desktops,



laptops, PDAs, iPads or other communication devices). Computers include the hardware and software components needed for operation.



Construction in Progress – Used as a holding

\$5000

account for expenses related to any construction project before the project is complete.

Draft

Projects in Progress – Used as a holding

\$5000

account for all non- construction related capital expenses.

Capital Leases Payable – Property leased

from others under capital leases.

Threshold of

classification of the

A capital lease is treated in a manner similar

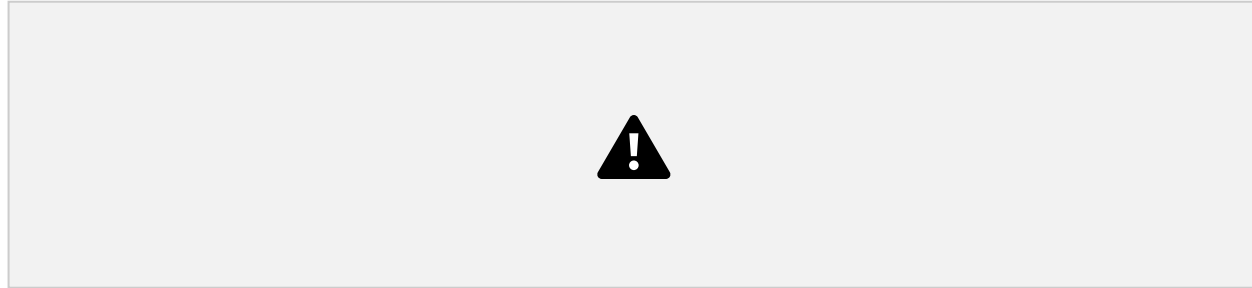
leased property

to an asset purchase. If the lease is non-cancelable and has at least one of the following characteristics, the leased asset is recorded on the books as a capital asset of the institution:

- a. The lease transfers ownership of property to the lessee by the end of the lease term.
- b. The lease contains a bargain purchase price.
- c. The lease term is equal to 75% or more of the estimated economic life of the leased property.
- d. The present value of the minimum lease payments at inception of the lease, excluding executory costs, equals

at least 90% of
the fair value of the leased property.

SY 23-24 Finance and Accounting Policies and Procedures 35 of 62 Last updated
November 2023



Draft

Exception to the above definition of capital assets: If assets are purchased with Federal or state funds, the organization will need to follow the applicable capitalization threshold as specified per the grant agreement.

Capitalization Policy – Multiple units of Assets on a single invoice

In addition to the RVL A-established capitalization threshold of \$5,000, when multiple units of assets are on a single invoice, such that the total invoice meets the capitalization

threshold, the assets will not be capitalized unless each unit equals or exceeds \$5,000. This does not apply to assets that are constructed such as building improvements and leasehold improvements.

Multiple Locations/Schools

If two or more schools split an invoice on a purchase of capital assets, the capitalization threshold of \$5,000 must be met by each location. Therefore, if an invoice of \$5,000 is split between two schools; neither school will capitalize the asset as the split cost will fall below the \$5,000 threshold.

Capital Asset Acquisition Cost

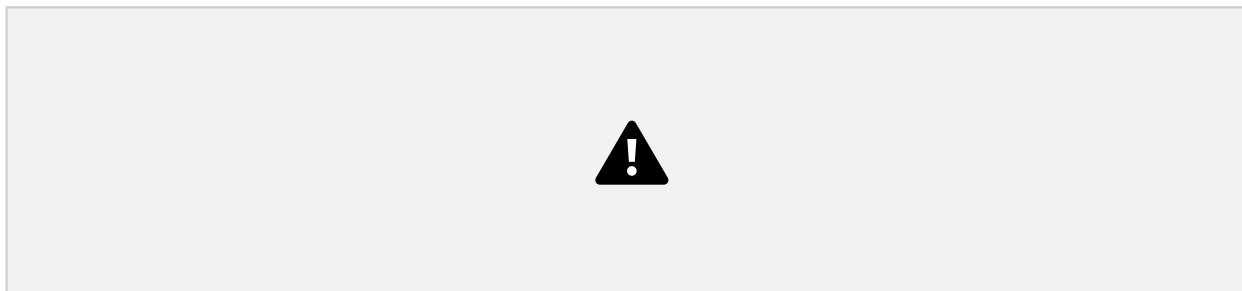
Capital assets should be recorded and reported at their historical costs, which include the vendor's invoices (plus the value of any trade-in), plus sales tax, initial installation cost (excluding in-house labor), modifications, attachments, accessories or apparatus necessary to make the asset usable and render it serviceable. Historical costs also include ancillary charges such as freight and transportation charges, site preparation costs and professional fees.

Assets donated should be reported at their fair market value on the date the donation is made.

Calculation of Leased Asset and Liability Amounts

RVLA treats the capital lease as if an asset were being purchased over time; i.e., it is a financing transaction in which an asset is acquired and a corresponding obligation (liability) is created.

SY 23-24 Finance and Accounting Policies and Procedures 36 of 62 Last updated November 2023



The asset and liability should be recorded at the lesser of:

Draft

- Fair market value of the asset at the inception of the lease, or
- Present value of the minimum lease payments, using RVLA's incremental borrowing rate as the interest rate.
 - Note: The lessor's implicit rate of interest may be used if lower than the lessee's incremental rate.

This should include all payments that RVLA is required to make, such as required payments, bargain purchase options, and guaranteed residual value. It should exclude executory costs such as insurance, maintenance and taxes that are paid by the lessor. If RVLA pays these costs directly, there is no adjustment to the periodic lease payments.

Depreciation Guidelines

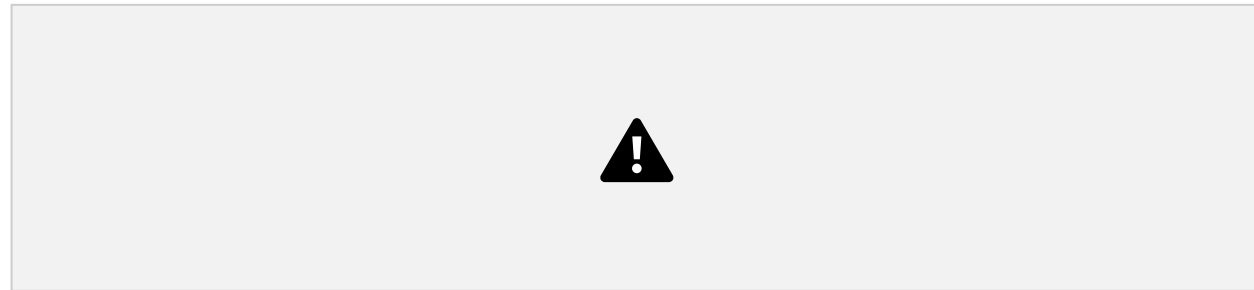
Depreciation is a system of accounting which aims to distribute the cost or gift value of a capital asset, less salvage value, over the estimated useful life of the asset in a systematic and rational manner. All depreciable assets will be depreciated using the straight-line method of allocation (historical cost less residual value, divided by useful life). The straight-line method allocates an equal amount of the net cost of an asset to each accounting period in its useful life.

The useful life of depreciable assets is based on their usefulness to the institution. The following table displays the estimated useful life that will be used to allocate depreciation:


| |
|---------------------------------|
| Property Category Life in Years |
|---------------------------------|

| | |
|---|---|
| Building Improvements: | |
| Electrical, heating, air conditioning | Remaining life of asset or term of lease whichever is shorter |
| Telephone systems, bell systems, security systems, IT cabling | 5 |

SY 23-24 Finance and Accounting Policies and Procedures 37 of 62 Last updated November 2023



| | |
|----------------------------|---|
| Roofing and equipment | Remaining life of asset or term of lease whichever is shorter |
| Furniture and equipment | 3 |
| Computer hardware/software | 3 |

| |
|--|
|  <p>Computer networking equipment and spare</p> <p>5</p> <p>parts that meet capitalizable threshold with useful life of 5 years</p> |
| <p>Construction in Progress N/a</p> |

Dra

Projects in progress N/a

To calculate depreciation for an asset, the estimated residual value must be declared and deducted before depreciation can be calculated. Residual value will be 0% of historical cost.

B. Disposition of Capital Assets

Capital assets that are obsolete, worn out, or no longer meet the requirements of a department may be sold as surplus, transferred to another department, traded-in, or discarded.

Disposition of Capital Assets Acquired with Federal Funding

When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. (2 CFR §200.313(e)) Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

- Items of equipment with a current per unit fair market value of \$5,000 or less may

SY 23-24 Finance and Accounting Policies and Procedures 38 of 62 Last updated November 2023



be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

Draft

- Except as provided in CFR § 200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
- The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.
- In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

VI. Procurement

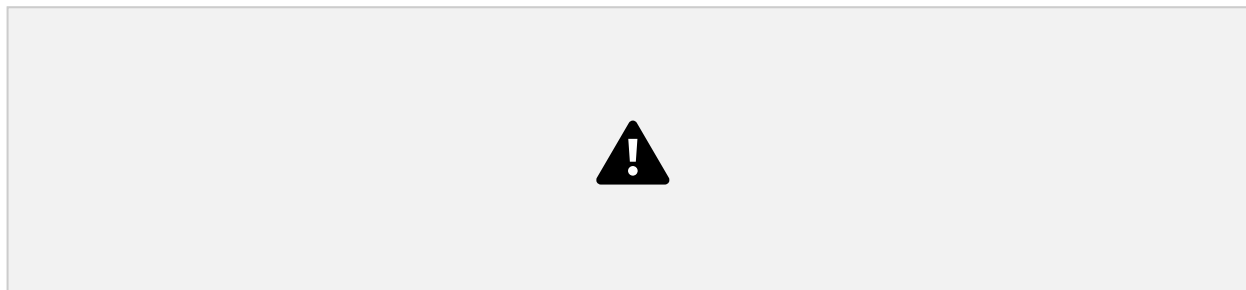
A. Centralized Purchasing and Preferred Vendor List

Purchasing refers to the process of acquiring goods and services best suited for the specific

needs of RVL A. By creating purchase orders in Schools can purchase items/services to support the needs of students, staff, and class instruction. Textbooks, technology equipment, and furniture must be purchased centrally in order to adhere to required specifications and maintain appropriate asset tagging.

To maximize RVL A's purchasing power for discounts, a "preferred vendor" list for

SY 23-24 Finance and Accounting Policies and Procedures 39 of 62 Last updated
November 2023



commonly purchased items are available. Prior to purchasing an item, this list should be consulted to determine if an existing vendor offers the desired item. Using this list allows RVL A

Draft

to leverage its purchasing power for future discounts.

New vendors will not be set up for products/services offered by existing preferred vendors.

C. Nutrition Programs

A Food Service Management Company (“FSMC”) is an entity that performs one or more activities of the food service operation on behalf of a school nutrition program sponsor.

These activities may include any or all of the following services: bookkeeping, menu development, preparation of reimbursement claims, organization and maintenance of program documents (such as daily meal counts, menus, and menu production records), meal preparation and service, consulting services, and purchasing services.

FSMC contracts may be valid for up to one year from the date that they are signed by all parties and may be renewed for up to four additional one-year terms. Federal regulations require that districts annually submit all new contracts, corresponding bid documents, and/or annual contract extensions to the Office of Superintendent of Public Instruction, Nutrition Services (“OSPI”), for prior approval.

Federal regulations require that all purchases of goods and services using food service revenues follow Federal procurement regulations. Specifically, sponsors must adhere to a competitive bidding process, and FSMC contracts must include Federally required clauses. In addition, the sponsor is responsible for preparing all bid documents and the agreed upon contract. Following is a brief description of these requirements as they apply to FSMC contracts.

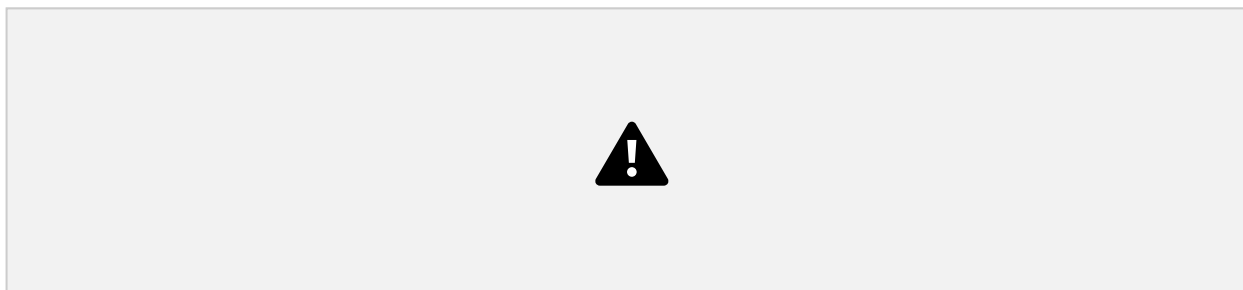
Bidding Process

Sponsors electing to contract with an FSMC must conduct a competitive bidding process using either informal or formal bid procedures.

Competitive Procurement

Federal regulations at Title 7, Code of Federal Regulations (7 CFR Section 3016.36(c)

SY 23-24 Finance and Accounting Policies and Procedures 40 of 62 Last updated November 2023



require all procurement transactions to be conducted in a manner providing full and open competition consistent with the standards of Section 3016.36. Some of the situations



considered to be restrictive of competition include but are not limited to: (i) Placing unreasonable requirements on firms in order for them to qualify to do business; (ii) Requiring unnecessary experience and excessive bonding; (iii) Noncompetitive pricing practices between firms or between affiliated companies; (iv) Noncompetitive awards to consultants that are on retainer contracts; (v) Organizational conflicts of interest; (vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement; and (vii) Any arbitrary action in the procurement process.

Informal Bid Process

An informal bid process allows sponsors to contact a minimum of three agencies to obtain price quotes for specific services. Sponsors must write a description of the services they are seeking and provide the same information to each agency contacted. The sponsor must document and retain the following information from each of the contacted agencies: The name of the agency;

The name of the contact person;

The phone number;

The quoted price; and

For the selected agency, a rationale for the selection and accepted bid price.

Formal Bid Process

The formal bid process is a much more detailed process and may include, but is not limited to, the following activities:

- Advertising in a public manner, typically a newspaper of general circulation;
- Providing a Request for Proposal (“RFP”) or Invitation for Bid (“IFB”) to agencies known to provide the desired services;
- Offering facility review visits; and
- Establishing a date and time for opening bids.

As in the informal bid process, the formal bid process requires the sponsor to document the bid process and include a rationale for the selection of the bidder and the awarded contract

SY 23-24 Finance and Accounting Policies and Procedures 41 of 62 Last updated

November 2023

amount. The sponsor must maintain the bid documentation for the duration of the contract, or in

the event of a contract and/or procurement process audit finding, three years beyond the

final resolution of the findings. Regardless of the bid process used, sponsors must award the contract to the lowest bidder that best meets their needs.

Bid Threshold

The total annual (i.e., 12 consecutive months) value of the contract determines whether to use an informal or formal bid process. If the annual value of an FSMC contract is less than the applicable bid threshold, an informal bid process can be used. Likewise, a formal bid process must be used for contracts that are equal to or exceed the applicable bid threshold. Sponsors must follow a bid threshold established by their governing body, which differs among agencies as follows:

- The Federal bid threshold is \$100,000 and applies to private, nonprofit agencies and charter schools.
- Public schools and county offices of education use the small purchase threshold as established in the Washington State Revised Code of Washington. This amount may change from year to year.
- Local governments, such as those administered by county government offices, shall use the small purchase threshold established by their governing body. If no such local threshold exists, they must use the Federal threshold of \$100,000.

Agencies may contact Child Nutrition Services for assistance with their bid process. Remember, regardless of the bid process used, it must be competitively procured.

Contractor Involvement

Sponsors are responsible for preparing the contract and all accompanying bid documents. Sponsors are prohibited from awarding a contract to any vendor that prepared or had a significant role in developing the contract and related bid documents; e.g., a price quote, request for proposal, invitation to bid, and bid specifications. While schools have broad discretion in gathering information for use in connection with procurements, information from potential bidders, including contracts developed or provided by a vendor, must be appropriately modified to develop tailored specifications; otherwise, these bidders must be excluded from competing for

SY 23-24 Finance and Accounting Policies and Procedures 42 of 62 Last updated November 2023

such procurements. Any action that diminishes open and free competition seriously undermines

the integrity of the procurement process and may subject the sponsor to bid protests. Sponsors

must have protest procedures in place to handle and resolve disputes relating to their procurements and must, in all instances, disclose information regarding a protest.

All FSMC contracts must include Federally required language as specified in 7 CFR 3019.48, 3016.36(i), 210.16(a) and 250.12(d). The highlighted components of the attached prototype contract meet this requirement and must not be deleted or modified. All other contract language may be modified to meet the agreed upon responsibilities of the food service consultant.

Any modifications to the contract must be submitted for approval prior to its execution.

State Requirements

Please contact the School Food Service Contracts Unit for additional information and guidance
[Child Nutrition Services](#)
360-725-6200

TTY:360-664-3631
FAX:360-664-9397

[Assigned RVLA Program Specialists](#) (May change based on OSPI)

Sadaf Ijaz
360-701-4561

Recordkeeping Requirements

Sponsors are required to maintain appropriate records for procurement transactions occurring in connection with the Child Nutrition Programs. Title 7 CFR parts 3016, 3019, 210.9(b)(17), and the terms of the child nutrition program agreements require both the OSPI and the sponsor to retain program-related records for a period of three years from the day a sponsor's final allowable payment under the contract has been recorded. This is true

SY 23-24 Finance and Accounting Policies and Procedures 43 of 62 Last updated
November 2023

regardless of whether the final payment is recorded prior to the expiration of the contract or subsequent to the expiration date.

When a procurement contract is continued or renewed at annual or other intervals, the retention period for the records of each contract period starts on the day the final payment is recorded in connection with the final renewal.

Actions such as bid protests, litigation, and audits may result in an extension of this three year period. In all such cases, the records must be retained until: (1) three years beyond the completion of the action and resolution of all issues arising from it; or (2) the expiration of the regular three-year period, whichever occurs later.

Adequate procurement methods are a prerequisite for receiving funds. If records generated during the performance of the award do not demonstrate compliance with applicable procurement requirements, several possible penalties may follow such as disallowance of

costs, annulment or termination of award, issuance of a stop work order, debarment or suspension, or other appropriate remedies. Examples of records include:

- A written rationale for the method of procurement
- A copy of the RFP or the IFB
- The basis for selection of the contract type (fixed price or cost reimbursable)
- The bidding and negotiation history
- The basis for contractor selection
- Approval from the State agency to support a lack of competition when competitive bids or offers are not obtained
- The basis for award cost or price
- The terms and conditions of the contract
- Any changes to the contract and negotiation history
- Billing and payment records
- A history of any contractor claims
- A history of any contractor breaches
- Lack of prior OSPI approval for all contracts and supporting documents

SY 23-24 Finance and Accounting Policies and Procedures 44 of 62 Last updated
November 2023

D. General Procurement Policies & Procedures

Purpose of procurement policies and procedures

The purpose of this document is to establish policies and procedure for RVLA's procurement of

supplies and other expendable property, equipment, real property and other services from all sources, including those that are Federal and those that are Non-Federal, except where Federal or State procurement guidelines may differ.

Conflict of Interest

No RVLA employee, officer, or agent shall participate in the selection, award, or administration of an acquisition or contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of RVLA shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements except for where the financial interest is not substantial or the gift is an unsolicited item of insignificant value. Members of the RVLA's national and regional boards of directors shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. Officers, employees, directors, and agents of RVLA shall be subject to disciplinary actions for violations of these standards.

Competition

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards shall be made to the bidder or offerer whose bid or offer is responsive to the solicitation and is most advantageous to RVLA, price, quality and other factors considered. Solicitations shall clearly set forth all requirements that the

SY 23-24 Finance and Accounting Policies and Procedures 45 of 62 Last updated
November 2023

bidder or offerer shall fulfill in order for the bid or offer to be evaluated by RVLA. Any and all

bids or offers may be rejected when it is in RVLA's interest to do so. In all procurement, RVLA

shall avoid practices that are restrictive of competition.

Suspension and Debarment

As a federal award recipient, RVLA is required to check all potential contractors for suspension and debarment on the United States Government's System for Award Management (SAM) Website for all contracts expected to equal or exceed \$25,000.00 (2 CFR §1532.220). The companies listed in SAM have been prohibited from conducting business with the US government for a specified length of time, and any bid from a contractor found to be on this list shall be immediately rejected. There are three milestones that require checking SAM:

1. At opening bids or receipt of proposals;
2. Before letting out the work; and
3. Before awarding any new work to make sure nothing changed since the bid opened.

Methods of Procurement

The procurement methods detailed below are established except for where the procurement guidelines specific to Federal or State funding differ from them. RVLA will ensure that current code is consulted to determine the instance of such situations.

1. Purchases of Goods and Services.

- a. Value less than \$10,000: No quote nor proposal is necessary if RVLA considers the price reasonable, although fair and equitable standards apply to the vendor selection process.
- b. Value from \$10,000 - \$50,000: A minimum of two (2) quotes or proposals must be obtained from qualified sources.
- c. Value greater than \$50,000 and less than \$150,000: A minimum of three (3) quotes or proposals must be obtained from qualified sources.
- d. Value of \$150,000 or greater: Comprehensive requests for proposals that include clear, accurate descriptions of goods and/or services solicited and are publicized. A formal method for their evaluation and selection must be followed.

2. Construction Projects.

SY 23-24 Finance and Accounting Policies and Procedures 46 of 62 Last updated
November 2023

- a. Architectural / Engineering Professional Services: Recognized competitors are identified and a

qualifications-based selection process is used, subject to the

negotiation of fair and reasonable compensation.

b. All other Construction procurement: Comprehensive requests for proposals are publicized and solicited, and a formal method for their evaluation and selection must be followed.

3. Non-Competitive Procurement.

Solicitation of a proposal from a single source can only be used when one or more of the following factors apply:

- a. The item is available only from a single source;
- b. The exigency or emergency requiring the procurement will not permit the delay caused by the competitive procurement process;
- c. RVL A determines, following solicitation from a number of sources, that competition is inadequate.
- d. RVL A Management determines, based on quantitative and/or qualitative analysis, that competition is not practical or cost-effective.

4. Federal Program Guidelines.

- a. Procurement generated from Federal awards, such as grants, shall adhere to Office of Management and Budget (OMB) guidance regarding uniform administration requirements, cost principles, and audit requirements.
- b. Procurement generated by the National School Lunch Program shall adhere to guidance noted in Title 7 of the Code of Federal Regulations.

5. State Program Guidelines.

- a. Procurement related to state programs such as public school construction, shall adhere to relevant guidance from the appropriate state agency, the Washington State Office of the Superintendent of Public Instruction.

6. Academic and Information Technology (IT) Procurement.

- a. RVL A places considerable significance to the procurement of Academic and

Information Technology because of the essential role that both play in the SY 23-24 Finance and Accounting Policies and Procedures 47 of 62 Last updated November 2023 education of our students. Moreover, comprehensive processes grounded in community

consensus have been developed to select textbooks and similar

academic resources as well as to determine a system-wide IT framework. b. The selection processes for these two unique instances are fair, unbiased, and highly competitive. The criteria for the evaluation of potential sources will be detailed in a attached addendum: RVLA Guidelines for Academic and Information Technology Selection.

c. Once a selection is confirmed (e.g., a textbook, other instructional item such as a novel, or an IT computing classification), the method of procurement detailed above in subsection (a) Purchases of Goods and Services applies.

7. Guideline for Academic and Information Technology Selection

a. Academic Technology Selection

Textbook Selection

Choosing a textbook should be a collective process where the various members of the community that are to be engaged with the text should be part of the selection process. Each school chooses a committee whose responsibility is to research available textbooks and choose a textbook to be used at the school. This Textbook Adoption Committee (TAC) should be comprised of teachers in the content area and individuals that have some specific relationship to the material (curriculum director, department heads, etc.).

As an initial task, the TAC should create and/or adopt a rubric/checklist by which to judge the various textbooks. This rubric should include consideration of a) clear alignment with state standards and Common Core standards, b) clear alignment with school and RVLA standards, c) cultural, gender, SES and ethnic differences, d) differing learning modalities, e) local budget constraints, and f) content accessibility.

Math Curriculum Adoption Process

- Top two vendors invited to presentation for all Math Teachers
- Math teachers invited to provide feedback via form
- Committee used feedback for final decision

SY 23-24 Finance and Accounting Policies and Procedures 48 of 62 Last updated
November 2023

Pre-Approval Requirements

Other areas to consider when selecting new curriculum or textbooks

- Common Core Aligned
- Online component with student log in
- Textbook component
- Cost Effectiveness

b. Information Technology Selection

Procurement of technology at RVLA is contingent on available federal subsidies through the FCC's E-Rate Program.

The following summarizes guidelines for procuring technology both through E-Rate and outside of E-Rate regulations.

Subsidized (E-Rate)

Each year, E-Rate provides RVLA with millions of dollars of savings in relation to communications (e.g., phone service), connectivity (dedicated Internet access and WAN), and infrastructure related to these services (e.g., wireless access points, wireless controllers, cabling, etc.).

For each service provided, RVLA participates in a competitive RFP bidding, as managed by RVLA's E-Rate vendor.

Each bid is scored according to a standard rubric approved by the FCC. Rates and products included in each bid cannot be modified, per the RFP process and E-Rate regulations.

Non-Subsidized

Non-subsidized technology is procured through contracts with core IT vendors. As it's of vast importance for RVL A to maintain an interoperable technology environment that can be serviced by all internal stakeholders RVL A seeks to maintain the same vendors on a yearly basis – provided that the technology remains high quality and competitively priced.

SY 23-24 Finance and Accounting Policies and Procedures 49 of 62 Last updated
November 2023

Accordingly, RVL A engages in negotiations annually with core IT vendors, aiming to maintain

or decrease price as RVL A grows in size.

VII. Payroll and Travel Policies

A. Payroll

RVL A's pay periods run from the 16th to the 15th of each month. Paychecks are issued monthly on the last day of each month unless those days fall on a weekend or holiday, in which case checks will be distributed on the preceding business day. All employee payroll amounts are calculated based upon approved rates included in the individual's personnel file. Any changes to pay rates or benefits must be properly initiated and authorized using the designated process in RVL A's human resources information system ("HRIS", e.g., BambooHR). If for any reason, an employee receives the incorrect amount of pay, RVL A will handle each situation as follows:

If an employee is materially underpaid (i.e., gross adjustment due is in the amount of \$100 or more) due to erroneous processing by Payroll or due to submission of incorrect information by managers/administrators, then a manual check or ACH transaction will be issued as soon as possible.

If an employee is overpaid due to erroneous processing by Payroll or due to submission of incorrect information by the employee/managers/ administrators, then a repayment arrangement will be negotiated with that employee to repay the overpayment to RVL A. The employee will agree, in writing (email is acceptable), that deductions from future pay checks meet with their approval.

Repayments to RVLA should be completed by the end of the fiscal year. An employee's refusal to comply with this policy will result in disciplinary action up to and including termination.

Direct Deposit

SY 23-24 Finance and Accounting Policies and Procedures 50 of 62 Last updated
November 2023

All RVLA employees are encouraged to sign up for direct deposit and can do so by completing

an updated direct deposit form.

Pay Deductions

All RVLA employees are subject to normal state and federal pay deductions (e.g., taxes, Social Security and Medicare) per applicable law. Please see Payroll and Benefit Parameters set by the United State Internal Revenue Service ("IRS") and your state of employment for the most recent calendar year for further details.

Additional payroll deductions (e.g., retirement, benefits) may be withheld and deposited in a timely manner, if applicable.

In the event an employee has a scheduled deduction, but does not receive a pay check to cover the deduction, the deduction will accumulate and be reflected in RVLA's HRIS. Twenty-five percent (25%) of the accumulated balance will be deducted per pay period until the full amount has been deducted. All normal deductions will also occur in addition to the deductions of the accumulated balance. Upon an employee's termination from employment with RVLA, the full balance of the accumulated balance will be deducted from his/her final paycheck and any shortfall will be paid by the employee to RVLA. Additionally, deductions for health benefits that result in the employee earning less than minimum wage are allowable as long as the employee has voluntarily elected such benefits.

Time Entry for Hourly Employees

Hourly employees will log their worked time by using the check in and check out feature in Skyward Qmlativ. Hourly employees will attest that the hours logged through the check in/check out process are accurate and complete by using the submission process. Submission of time is due according to the schedule below.

Payroll Processing Timeline

Process Due Date Person Responsible

Hourly/Period Coverage and Time Off

transaction must be logged daily and Friday by 5pm Employees

SY 23-24 Finance and Accounting Policies and Procedures 51 of 62 Last updated

November 2023

submitted weekly

Coaches/Supervisors must approve/reject Coaches/Supervisors

timesheets weekly Monday by 12pm

Timesheet revisions must be reviewed and approved

Time must be logged and submitted through

Wednesday at 5pm weekly
Coaches/Supervisors Employees

the 15th of each month Employees

Employee submitted timesheets of any kind

Period Coverage, Hourly Timesheets, Special

Assignment Pay including After school Program

For the 16th of the prior month through the 15th of the current month

by 5pm Supervisors

22nd of each month
by 5pm

Supervisor required approval

20th of each month

ACH file ready for review 25th Payroll **CFOO to review ACH file** 27th

27th

Final ACH release by 5pm

2 days prior to pay date

Payday \$\$\$ See calendar

Request Time Off

Each employee is responsible for reporting their time off through Skyward. Submitted time off is approved by the employee's supervisor. Supervisors are responsible for ensuring that all time off is entered accurately. If an employee does not enter their time off in Skyward, the supervisor may enter the employee's time off in Skyward. Time off will be submitted and approved no later than the 22nd of each month. Please refer to the "Sick Leave and Paid Time Off" policy in the Employee Handbook. Failure to report time off in Skyward may result in disciplinary action up to and including termination of employment.

Stipends

From time to time, a stipend may be offered to an employee for specific services rendered that fall outside his/her normal role and responsibilities. Stipends are treated as regular

SY 23-24 Finance and Accounting Policies and Procedures 52 of 62 Last updated

November 2023

income and are thus subject to all standard taxes and other deductions.

Overtime

Generally, teachers and administrators are exempt. Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to these exempt employees.

Non-exempt employees may be required to work beyond the regularly scheduled work day or work week as necessary. Only actual hours worked in a given workday or work week can apply in calculating overtime for non-exempt employees. All overtime work must be previously authorized by the employee's supervisor. RVLA provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal laws.

For purposes of calculating hours worked and overtime pay, the RVLA work week begins each Monday at 12:01 a.m. and ends on Sunday at midnight. The RVLA work day begins at 12:01 a.m. and ends at midnight 24 hours later.

For employees subject to overtime, all hours worked in excess 40 hours in a seven-day work week shall be treated as overtime and shall be paid at a rate of one and one-half times the employee's regular rate of pay. For overtime purposes, holiday pay is not considered hours worked during the work week.

On a monthly basis, Payroll data encompassing regular time and overtime incurred in the period is provided to supervisors for review. The data is reviewed for reasonableness and discussed with appropriate administrators and department heads as necessary.

Meal and Rest Breaks

It is important to RVLA that all employees take daily rest time away from their work area. RVLA offers a fully functional break room to allow a place for employees to rest and eat during their breaks.

Washington Rest and Meal Breaks

All nonexempt employees are entitled to a paid rest break of at least ten minutes for each 4 hours worked. The rest break must be allowed no later than the end of the third hour of the

SY 23-24 Finance and Accounting Policies and Procedures 53 of 62 Last updated

November 2023

shift.

All nonexempt employees are allowed at least a 30-minute meal period. They must be at least 2 hours into the shift before the meal period can start. The meal period cannot start more than 5 hours after the beginning of the shift. They must clock out for their meal period. They will be permitted a reasonable opportunity to take this meal period, and they will be relieved of all duty. During the meal period, the employee is free to come and go and is free to leave the premises. The employee is expected to return to work promptly at the end of any meal period.

Recording Meal Periods

All nonexempt employees must clock out for any meal period and record the start and end of the meal period. Employees are not allowed to work “off the clock.” Such employees must report all work time accurately on their time record. If, for any reason, any such employee is not provided a meal period in accordance with this “Meal and Rest Breaks” policy, or if any such employee is in any way discouraged or impeded from taking their meal period or from taking the full amount of time allotted, the employee must immediately notify their immediate supervisor or RVLA’s Human Resources Department. Anytime that a meal period was missed that should have been provided (or any portion of a provided meal period is worked), the employee must report to their immediate supervisor and document the reason for the missed meal period or time worked. Refusal of an employee to take a lunch break can result in disciplinary action up to and including termination.

Lactation Accommodation

RVLA accommodates lactating employees by providing a reasonable amount of break time to any employee who desires to express breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to express breast milk that does not run concurrently with break time already provided to the non-exempt employee shall be unpaid and must be documented by the employee for time-tracking/payroll purposes. RVLA will make reasonable efforts to provide employees who need a lactation accommodation with the use of a room or other private location that is located close to the employee’s work area. Employees with private offices will be required to use

their offices to express breast milk. Employees who desire lactation accommodations should contact their supervisor to request accommodations.

SY 23-24 Finance and Accounting Policies and Procedures 54 of 62 Last updated
November 2023

B. Expense and Travel Reimbursement

RVLA may authorize payment for actual and necessary expenses, including travel incurred by an employee performing pre-approved, authorized services. However, the majority of day-to-day purchases (e.g., supplies) should be done through the appropriate purchasing processes (see Purchasing Section of the Employee Handbook). Every effort should be made to obtain items from RVLA-approved vendors using the requisition process or corporate credit cards. Purchases from vendors outside the home state are subject to that home state's tax and that tax will be added to the cost of the item and charged to the budget of the site that incurred the charge.

Reimbursement request forms are to be completed and processed through the RVLA invoicing process.

The reimbursement requests require approval by the assigned approver (Department Head, Principal or direct supervisor). Therefore, employees must receive approval from their school's Principal, Supervisor, or Department Head prior to incurring expenses.

In general:

- Expenses can be reimbursed up to 45 calendar days from the date of the transaction
- Itemized receipts and/or proof of payment must accompany all expenses
- All expenses must be pre-approved by the appropriate Department Head, School- Site Administrator or direct supervisor
- Employees must use their corporate credit card if one has been issued to them

Failure to comply with the above will result in non-reimbursement of the expense.

Employee Reimbursement

Employees with pre-authorization following the RVLA purchasing process are allowed to make school related purchases with their personal funds and request reimbursement. Staff should aim to have all reimbursements submitted to invoices@myrvla.org within 30 days of purchase. Otherwise, the final deadline for reimbursement each year is marked by the last business day of the fiscal year (August 31st).

SY 23-24 Finance and Accounting Policies and Procedures 55 of 62 Last updated

November 2023

The reimbursement must include proof of pre-authorization from an authorized staff member, including

the RVLA reimbursement form and printed itemized receipts in order according to how they are listed on

the reimbursement form. Failure to submit all components of the reimbursement will result in the reimbursement being rejected for edits. Payment of reimbursements is done on a rolling basis to ensure timely processing.

Business meals are reimbursed using standard applicable IRS guidelines. Under no circumstances shall alcohol be reimbursed. No board member or employee may authorize a reimbursement request made payable to themselves. Reimbursements payable to the Chief Executive Officer are approved by the COO and/or Board Co-Chairs or Treasurer.

Mileage Reimbursement

A mileage log must be submitted for all mileage reimbursement requests and must indicate the points of travel, dates of travel, odometer readings and the miles eligible for reimbursement. Per applicable state and federal law, normal commuting costs of traveling to and from work are not reimbursable and must be subtracted from the reimbursement request. For example, I travel 15 miles to get to work on a normal day, but I am requesting reimbursement to visit school site A (5 miles) school site B (5 miles) and then to my assigned office (10 miles). Twenty miles were traveled (5+5+10) but only 5 are eligible for reimbursement, since I normally travel 15 miles.

The current reimbursable rate per mile is determined using the IRS' standard mileage reimbursement rate for the use of a car. Note: gas, oil or other vehicle maintenance items and insurance related to personal car use for business travel is not reimbursable since this is included in the IRS/government mileage rate.

Employees must acquire and maintain the minimum requirements, per applicable state and federal law, (e.g., ensure valid driver's license, minimum insurance, etc.), when driving is

part of, or is incidental to, his/her job duties (e.g., traveling between school sites).

Meals and Entertainment

For U.S. tax reporting purposes, meal expenses are defined as the costs incurred for food and beverages in the conduct of business. Entertainment expenditures, whether client or firm related, require pre-approval. Entertainment expenses include, but are not limited to, the cost of amusement or recreational facilities or attendance at the theater and sporting events.

SY 23-24 Finance and Accounting Policies and Procedures 56 of 62 Last updated
November 2023

Meals made necessary by travel are reimbursable through a standard rate per diem
RVLA does not reimburse an employee for alcohol.

Hotels

Reasonable lodging costs incurred in the course of business travel will be covered by RVLA whenever a day trip is not appropriate, if approved in advance. Staff should utilize the [US General Services Administration](#) current per diem rates for the area traveling to establish reasonable lodging costs thresholds. All hotel bookings require approval by the department head in which the travel expense will be incurred. Additionally:

- RVLA employees are expected to stay in standard business class lodgings that charge a reasonable rate not to exceed US General Services Administration per diem costs
- RVLA will not pay for lodging costs when staying in a city longer than is justifiably necessary.

The itemized hotel bill showing the form of payment used (charge slip or zero balance) must be submitted with the expense form or credit card reconciliation as documentation. A charge slip alone is not acceptable. In the event of an express checkout, a hotel invoice along with a form of payment on the invoice (such as a credit card number) is acceptable.

When work commitments require Friday and Monday trips to the same city, the traveler is ordinarily expected to return home for the weekend. However, if such travel would be costlier or time-consuming than remaining at the distant location over the weekend, lodging and reasonable meal costs for the traveler would be reimbursable with the following restrictions:

The travel must be pre-approved;

- Costs of entertainment such as gym use, movies, cocktails and cultural events are considered personal in nature and will not be reimbursed;
- Hotel laundry or valet charges are not reimbursable, unless for unexpected extended trips; and
- Items of clothing purchased when traveling are not reimbursable. This includes replacement of lost or stolen items as well as clothing purchased as a result of an unexpected extended stay.

Air Travel

SY 23-24 Finance and Accounting Policies and Procedures 57 of 62 Last updated
November 2023

RVLA employees are expected to travel using the lowest available logical fare in economy class.

All air travel requires approval by the department head in which the travel expense will be

incurred. Additionally:

- The only legitimate reason for flying any class other than economy is if seats are not available in coach or if an employee has a disability for which a reasonable accommodation is required. If this is the case, approval must be obtained from their manager before purchasing the ticket.
- Only actual costs will be reimbursed upon completion of travel.
- No reimbursement will be made for the value of premiums earned through frequent traveler programs applied to business travel. This includes free upgrades or free flights. Miles and points earned are the property of the employee.
- RVLA is not responsible for lost, stolen or damaged luggage. Please file a claim with the airlines and/or personal insurance company.
- Flight changes which incur costs will only be paid for by RVLA if they are business related and reasonable (if you miss your flight unrelated to a business purpose change fees are at the expense of the employee)

Car rentals

Car rentals should be used only when needed and alternate forms of road transportation (i.e., taxis, public transit, and personal vehicles) are not more feasible or available.

RVLA staff should rent “mid-size” models or lower. Upgrade charges are generally not reimbursable, though reasonable exceptions may be allowed if previously approved and adequately explained.

Loss Damage Waiver (“LDW”) insurance is included in the corporate contract. If renting outside of the corporate contract, LDW should be accepted.

RVLA will not be responsible for vehicle damage that occurs during business use of either a personal or rented car. Parking or traffic fines are not reimbursable.

Rentals over a weekend or holiday period are generally not reimbursable, unless adequately explained and previously approved by a manager.

Every effort should be made to refuel at a gas station prior to returning the vehicle at the end

SY 23-24 Finance and Accounting Policies and Procedures 58 of 62 Last updated
November 2023

of the rental period, instead of purchasing the refill directly from the car rental company (except

when refill option is more economical).

Employee vehicles that are damaged or stolen on work site property will be reimbursed up to the amount of the deductible or \$250, whichever is lesser. The burden of proof for demonstrating that the damage occurred on work property shall rest with the employee.

Other Transportation

Reimbursement will be made for reasonable expenditures for transportation other than air, travel and car rentals. This category includes:

- Taxi fares between office/home and airport as well as between airport / hotel and final destination (e.g., conference) when traveling. Employees should verify whether the hotel or conference location has a free shuttle from the airport to the hotel/conference prior to travel since many such shuttles are available free of charge.
- Tolls and parking fees incurred when using personal car for business travel (gasoline is not reimbursable, see mileage reimbursement policy).
- Tolls, gas and parking fees incurred during business travel while using a rental car. ● Reimbursement guidelines are updated annually. All expense and travel reimbursement exceptions should be forwarded to the direct supervisor for review and approval prior to occurrence.

Advances

In specific circumstances in which a staff member has limited funds to pay RVLA expenses, RVLA may issue an advance. Every effort should be made to process as much of the projected out-of-pocket expenses through Accounts Payable as possible to minimize any required advance amount and if possible eliminate the need for an advance altogether.

For example, airfare and hotel can be paid for upfront by RVLA check or corporate credit cards.

The employee must complete the **Cash Advance Request form** that presents an estimate of costs which will be the basis for any advanced amount. Advances must be pre-approved by the Department Head or Principal, as appropriate. The Cash Advance Request form should be submitted to RVLA's Accounts Payable Department as soon as possible to ensure that the employee receives the advance in enough time to purchase the goods or services. The

SY 23-24 Finance and Accounting Policies and Procedures 59 of 62 Last updated
November 2023

advance will be issued, via a check, from RVLA's Accounts Payable Department. The employee

must follow all reimbursement guidelines as stated in the Travel and Expenses

Reimbursement Policy. The employee will need to submit an expense report with receipts within 45 days of the dates on the receipts or the conclusion of travel, whichever is later. Advances will only be granted when it is deemed absolutely necessary by RVLA.

Non-Reimbursable Expenses

RVLA must adhere to certain guidelines as set forth by the Washington Office of Superintendent of Public Instruction for the use of state and federal funds. The following is an illustrative list which outlines the majority of non-reimbursable expenses including, but not limited to: personal expenses, alcohol, tobacco, mini-bar expenses, spouse or family member expenses, laundry or cleaning expenses (except for unexpected extended trips), traffic citations, pay-for-view movies in hotels, cultural events, monetary gifts or gift cards and unreasonable or extravagant expenses.

Other non-reimbursable expenses include the fee for obtaining a background check and/or a TB clearance in order to secure employment with RVLA. These fees may be reimbursed for unpaid RVLA volunteers.

Draft

VIII. Consultants and Independent Contractors

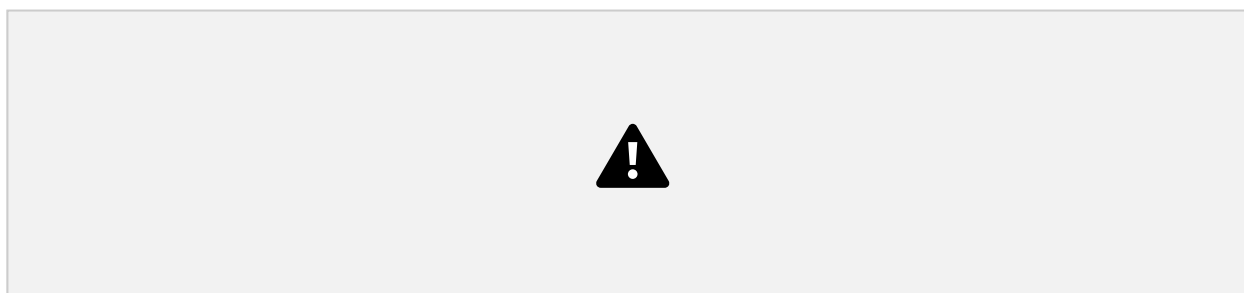
A. Independent Contractors

An individual not employed by RVLA who performs a service for the organization may be considered a consultant or an independent contractor. In order to preserve the nature of the principal and consultant/independent contractor relationship, several requirements should be met before contracting with a third party. In particular, consultant/independent contractors should:

- be free from RVLA's control and direction in performing the service, both under contract and in fact;
- provide a service that is outside RVLA's usual expertise;
- be engaged in an independent trade, occupation, profession or business of the same type; not receive any fringe benefits directly, although their fee may include a provision for fringe benefits;
- not be assigned a permanent workstation or RVLA equipment;
- use his/her own invoice in billing for services; and
- provide proof of appropriate insurance.

Independent contractors and consultants are not entitled to any of the benefits that RVLA provides to its employees, including, but not limited to, workers' compensation, disability insurance, leaves of absence, vacation, or sick pay. Independent contractors and consultants are responsible for providing disability, workers' compensation, or other insurance as well as licenses, credentials, and permits usual or necessary for performing the applicable services. Under no circumstances shall RVLA be considered or interpreted to be an independent contractor's or consultant's employer, partner, agent, or principal for any purpose. Prior to services being rendered, RVLA's Human Resources Department must be contacted to develop a written engagement agreement. The use of independent contractors is

SY 23-24 Finance and Accounting Policies and Procedures 61 of 62 Last updated
November 2023



closely monitored so as not to vary from the rules of the Internal Revenue Code. The drafting of all contracts for independent contractors should be based on the standard contract template

Draft

jointly developed by RVLA's Human Resources and Legal. Any s [redacted] es to the standard template should be reviewed by RVLA's appropriate administrators and the Legal Department before the execution of the contract to limit RVLA's exposure to liability or legal

action.

Additionally, independent contractors are required to follow the Criminal Background Checks as outlined in the Employee Handbook prior to completing the contracting process. Once cleared to begin work, independent contractors are required to submit written, detailed invoices for payments which are processed through RVLA's Accounts Payable Department.

[Prior Year Policies for Reference if not addressed in this updated version.](#)

SY 23-24 Finance and Accounting Policies and Procedures 62 of 62 Last updated
November 2023