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## **Module 100: Financial Operations**

*Charter Board Policy for New Frontiers Public Schools, Inc.*

MODULE 100: FINANCIAL OPERATIONS  
TABLE OF CONTENTS

**100.020 Annual Operating Budget – pg. 3**

1. Budget Process
2. Fiscal Compliance

**100.040. Use of State Funds – pg. 3**

1. Use of State Funds
2. Commingling of Charter & Non-Charter Business Prohibited
3. Interested Transactions

**100.060. State Fiscal Compliance – pg. 4**

1. Fiscal Year
2. Financial Accounting
3. Grant Management Standards
4. Annual Audit by the Charter
5. Annual Financial Statement
6. Annual Financial Management Report
7. Audit by the Commissioner
8. Attendance Accounting
9. PEIMS Data Standard

**100.080. Federal Fiscal Compliance – pg. 7**

1. Fiscal Requirements under Title I, Part A of the No Child Left Behind Act
2. Federal Grant Allowable Expenditures
3. Time and Effort
4. Charter Schools Program, No Child Left Behind Title V, Part B
5. Use of Federal Grant Funds for Procurement
6. Breakfast Program
7. Child Nutrition Program

**100.100. Cash Management & Credit Card Procedures – pg. 11**

1. Accounting for Cash Transactions
2. Checks
3. Paying Bills with State or Federal Funds
4. Bank Reconciliation
5. Credit Card Procedures
6. Activity Funds

**100.120. Accounting for Capital Assets – pg.13**

1. Capital Asset

**100.140. Investment of State Funds – pg. 14**

1. Compliance
2. Investment Management Firm and/or Officer
3. Discrete Maintenance of Records
4. Investments

**100.160. Payroll – pg. 15**

**100.180. Property – pg. 15**

1. Public Property Held in Trust
2. Use of Public Property

**100.200. Purchasing & Contracting – pg. 17**

1. Public Works Contracts
2. Professional Services
3. Cooperative Purchasing Programs
4. Other Purchasing and Contracting
5. Board Approval Required

## 100.020. ANNUAL OPERATING BUDGET

The governing body (“Board”) of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

### SECTION 1. Budget Process

#### SECTION 1.1. FASRG

The Chief Executive Officer (CEO) via the Executive Director of Finance and/or designee will ensure that New Frontiers Public Schools follows a budgeting process that is consistent with the requirements in the Budgeting Module of the Texas Education Agency’s (“TEA”) Financial Accountability System Resource Guide.

SECTION 1.2. The Chief Executive Officer (CEO) via the Executive Director of Finance and/or designee is responsible for the preparation of the annual budget.

#### SECTION 1.3. Campus Improvement Plan

Each year before the annual operating budget is drafted. The CEO shall ensure that a campus improvement plan, which is based on a needs assessment of New Frontiers Public Schools, is drafted and finalized. The needs assessment and campus improvement plan shall be completed by spring of each year. The campus improvement plan shall inform the drafting of the annual budget.

#### SECTION 1.4. Adoption

The Board shall formally adopt the budget, in a meeting open to the public, before the fiscal year of operation begins and before the expenditure of any funds.

#### SECTION 1.5. Minutes

The Secretary of the Board will record the adoption of the budget and any amendments in the Board meeting minutes in which the adoption occurs.

#### SECTION 1.6. Post-Adoption

After the adoption of the budget the CEO via the Executive Director of Finance and/or designee and the Board shall review actual fund disbursements compared to the adopted budget and make amendments as needed. This shall occur soon after actual student enrollment is determined.

### SECTION 2. Fiscal Compliance

The CEO via the Executive Director of Finance and/or designee shall ensure that New Frontiers Public Schools complies with all state and federal laws and rules concerning the budget and related processes of the school, including but not limited to, laws and rules concerning online budget posting and financial solvency.

## 100.040. USE OF STATE FUNDS

The governing body (“Board”) of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

### SECTION 1. Use of State Funds

The CEO via the Executive Director of Finance of New Frontiers Public Schools shall ensure that the school uses state funds only for lawful purposes.

### SECTION 2. Comingling of Charter & Non-Charter Business Prohibited

The CEO via the Executive Director of Finance and/or designee shall ensure that the business activities of New Frontiers Public Schools that are not directly related to the management and operation of New Frontiers Public Schools are kept in a separate and distinct accounting, auditing, budgeting, reporting, and recordkeeping systems from those recording the business activities of New Frontiers Public Schools.

### SECTION 3. Interested Transactions

SECTION 3.1. Each member of the Board shall comply with all conflict of interest laws and rules applicable to affected board members.

SECTION 3.2. The CEO via the Human Resources Representative and/or designee shall ensure that the employees of New Frontiers Public Schools shall comply with all conflict of interest laws and rules applicable to affected employees.

SECTION 3.3. The CEO via the Executive Director of Finance and/or designee shall ensure that the following shall be recorded in the accounting, auditing, budgeting, reporting, and recordkeeping systems for the management and operation of the school:

- a. Financial transactions between the school and the non-charter activities of the charter holder;
- b. Financial transactions between the school and an officer or employee of the charter holder or the school;
- c. Financial transactions between the school and a member of the governing body of the charter holder or the school;
- d. Financial transactions between the school and a management company charged with managing the finances of a school;
- e. Financial transactions between the school and any other person or entity in a position of influence over the charter holder or the school

### 100.060. STATE FISCAL COMPLIANCE

The governing body (“Board”) of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

#### SECTION 1. Fiscal Year

The New Frontiers Public Schools Board adopts September 1 – August 31 as the fiscal year for New Frontiers Public Schools.

#### SECTION 2. Financial Accounting

##### SECTION 2.1. Compliance

The CEO via the Executive Director Finance and/or designee shall ensure that New Frontiers Public Schools fully complies with: generally accepted accounting principles, Texas Education Agency’s (“TEA”) Financial Accountability System Resource Guide, TEA’s Student Attendance Accounting Handbook, Public Education Information Management System

(PEIMS), and any other applicable federal or state standards for financial management systems.

SECTION 2.2. Financial Reporting

The CEO via the Executive Director of Finance and/or designee shall make an accurate, current, and complete disclosure of financially assisted activities in accordance with financial reporting requirements of each grant or sub-grant.

SECTION 2.3. Accounting Records

The CEO via the Executive Director of Finance and/or designee shall maintain records that adequately identify the source and application of funds provided for activities assisted with state or federal funds.

SECTION 2.4. Internal Control

The CEO via the Executive Director of Finance and/or designee shall maintain effective control and accountability of all federal grant and sub-grant cash, real and personal property, and other assets obtained with federal funds. The CEO via the Executive Director of Finance and/or designee shall safeguard all such property and assure that it is used solely for authorized purposes.

**SECTION 3. Grant Management Standards**

SECTION 3.1. Compliance

If New Frontiers Public Schools receives a grant directly from a state or federal agency the CEO via the Executive Director of Finance and/or designee shall ensure that New Frontiers Public Schools is in compliance with the grant requirements of that state or federal agency.

SECTION 3.2. Employee Time Sheet

If a New Frontiers Public Schools employee's compensation is funded by any grant, the CEO via the Executive Director of Finance shall ensure that the employee maintains a time sheet on which he or she records the time spent during the work day along with a description of the service he or she performed during that time.

SECTION 3.3. Signature

The CEO via the Executive Director of Finance shall ensure that the time sheets will contain the signatures of the employee that completed the time sheet, a school official, and the New Frontiers Public School's grant manager.

**SECTION 4. Annual Audit by the Charter**

SECTION 4.1. Annual Audit

Annually, the President of the Board for New Frontiers Public Schools shall ensure the engagement of a certified public accountant ("CPA") to have the financial and programmatic operations of New Frontiers Public Schools audited. New Frontiers Public Schools shall select and contract only with CPAs that are licensed by the Texas State Board of Public Accountancy and registered as a provider of public accounting services.

SECTION 4.2. Filing with TEA

The CEO shall ensure that New Frontiers Public Schools timely files a copy of the annual audit report with the TEA division responsible for school financial audits. The report shall include a certificate of the Board which will include the original signatures of both the presiding officer and the secretary of the Board. The certificate shall indicate if the Board approved or disapproved the

contents of the report along with the date of the Board's approval or disapproval. This approval or disapproval shall be supported in the Board's meeting minutes. The CEO shall ensure that if the Board disapproved the audit, it shall still be filed with TEA along with a statement identifying the reason(s) for Board disapproval.

SECTION 4.3. Disclosure of Interest

On behalf of the New Frontiers Public Schools, the CEO via the Director of Human Resources shall ensure that all persons with a substantial interest in a management company are separately disclosed in the annual audit.

SECTION 5. Annual Financial Statement

SECTION 5.1. Annual Financial Statement

The CEO via the Executive Director of Finance and/or designee of New Frontiers Public Schools shall prepare, or cause to be prepared, an annual financial statement for each fund subject to the authority of the Board during the fiscal year showing:

- a. the total receipts of the fund, itemized by source of revenue, including taxes, assessments, service charges, grants of state money, gifts, or other general sources from which funds are derived;
- b. the total disbursements of the fund, itemized by the nature of the expenditure;
- c. the balance in the fund at the close of the fiscal year.

SECTION 6. Annual Financial Management Report

The CEO via the Executive Director of Finance and/or designee shall ensure that New Frontiers Public Schools complies with the reporting procedures TEA develops for charter holders to prepare and distribute the school's annual financial management report.

SECTION 7. Audit by the Commissioner

New Frontiers Public Schools and its officers, employees, and agents shall fully cooperate with an audit by the commissioner of education and will take all actions necessary to secure the cooperation of a management company.

SECTION 8. Attendance Accounting

SECTION 8.1. Compliance

The CEO via the PEIMS Coordinator and/or designee shall ensure that New Frontiers Public Schools complies with the TEA Student Attendance Accounting Handbook and all other laws and rules concerning charter school student attending accounting, reporting, and record keeping.

SECTION 8.2. Responsibility

The CEO, PEIMS Coordinator, campus leaders, and teachers of New Frontiers Public Schools will be responsible to the Board of New Frontiers Public Schools and to the state to maintain accurate, current student attendance records.

SECTION 8.3. When Attendance is Taken

Attendance at New Frontiers Public Schools will be determined by Section 129.21(i) of the Texas Administrative Code. New Frontiers Public Schools will not change the established period in which

absences are recorded during the school year.

## SECTION 9. PEIMS Data Standard

### SECTION 9.1. PEIMS

The CEO shall ensure that New Frontiers Public School's fiscal accounting system is compatible with PEIMS data standards and conforms to Generally Accepted Accounting Principles.

### SECTION 9.2. Account Code Structure

The CEO via the Executive Director of Finance shall ensure that, with the exception of the codes that may be used at local option, New Frontiers Public Schools shall use the account code structure described in TEA's Special Supplement to the Financial Accountability System Resource Guide, Nonprofit Charter School of Accounts.

## 100.080. FEDERAL FISCAL COMPLIANCE

The governing body ("Board") of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

### SECTION 1. Commitment to Compliance

Prior to expending federal grant funds, the Executive Director of Finance shall ensure that New Frontiers Public Schools consults the appropriate compliance standards. The Executive Director of Finance shall adopt and follow appropriate procedures to ensure that all grant funds are expended in accordance with applicable requirements, including where applicable, the Education Department General Administrative Regulations (EDGAR).

### SECTION 2. Federal Grant Time and Effort

#### SECTION 2.1. Employee Time Sheet

If a New Frontiers Public Schools employee's compensation is funded by any federal grant, the CEO via the Executive Finance Director and/or designee shall ensure that the employee maintains a time sheet on which he or she records the time spent during the workday along with a description of the service he or she performed during that time.

#### SECTION 2.2. Signature

The CEO via the Finance Department shall ensure that the time sheets contain the signatures of the employee that completed the timesheet, a school official, and the New Frontiers Public School's grant manager.

#### SECTION 2.3. Substitute System for Time and Effort Reporting.

Each school year, the Executive Director of Finance shall submit a management certification form by the deadlines required by the Texas Education Agency to qualify as a participant under the substitute system of semi-annual time and effort reporting for employees of New Frontiers Public Schools. The Executive Director of Finance shall also ensure that any eligible employee participating in the substitute system of federal time and effort reporting completes a schedule and certification form at least semi-annually. The Executive Director of Finance shall ensure that the semi-annual certification form contains the signature of the employee and the employee's supervisor. The semi-annual certifications for each employee shall be maintained as part of the records of the charter school.

### SECTION 3. Use of Federal Grant Funds for Procurement

#### SECTION 3.1. Compliance

When expending federal grant funds, The CEO and/or designee shall require compliance by New Frontiers Public School's employees, officers, and agents with all applicable federal and state procurement standards and policies. Violations of applicable laws or policies may lead to disciplinary consequences including and up to termination of employment or removal from any officer position, if applicable.

#### SECTION 3.2. Shared Services.

The Executive Director of Finance is encouraged to participate in group purchasing programs, shared services agreements, inter-local contracts and inter-entity agreements whenever possible to generate a cost savings for the charter school.

#### SECTION 3.3. Open and Free Competition

The CEO via the Executive Director of Finance shall ensure that all procurement transactions are conducted in a manner that provides open and free competition. The Executive Director of Finance shall ensure that the procurement procedures implemented by New Frontiers Public Schools have written selection procedures that do not contain features which unduly restrict competition.

#### SECTION 3.4. Conflicts of Interest: Standards of Conduct.

The Executive Director of Finance shall ensure that no employee, officer, or agent of New Frontiers Public Schools, who has a real or apparent conflict of interest, participates in the selection, award, or administration of a contract supported by federal funds. Employees, officers, and agents may not solicit or accept favors, gratuities, or anything of monetary value from contractors or their agents. The Executive Director of Finance shall maintain written standards of conduct governing the performance of New Frontiers Public Schools employees engaged in the award and administration of contracts. The written standards of conduct shall also address organizational conflicts of interest. The Executive Director of Finance shall disclose in writing any potential conflict of interest to the Board of Directors, to the Texas Education Agency, and to the federal awarding agency.

#### SECTION 3.5. Disclosures of Misconduct.

The Executive Director of Finance shall ensure that any evidence of fraud, bribery or a gratuity violation is promptly reported to the Board of Directors, to the Texas Education Agency, and to the federal awarding agency. The Executive Director of Finance shall also report any such evidence to local law enforcement authorities.

#### SECTION 3.6. Small and Minority Firms, Women's Businesses.

The Executive Director of Finance shall ensure that New Frontiers Public Schools takes all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

#### SECTION 3.7. Record Documentation

The Executive Director of Finance shall maintain records sufficient to detail the history of each procurement secured with federal funds. The records must include, but not be limited to, the



rationale for the procurement method, the selection of the contract type, contractor selection or rejection, and the basis of the contract price.

SECTION 3.8. Mandated Contract Provisions

The CEO via legal counsel and or designee shall ensure that all legally mandated provisions are included in each procurement contract.

SECTION 4. Special Fiscal Requirements under Title I, Part A & ESSA

SECTION 4.1. Supplement not Supplant

The CEO via the Executive Director of Finance and/or designee shall ensure that Title I funds will be used to supplement, not supplant regular non-federal funds.

SECTION 4.2. Documentation

Documentation shall be maintained, or caused to be maintained, by the CEO via the Executive Director of Finance. The documentation must clearly demonstrate the supplementary nature of federal funds.

SECTION 4.3. Campus Improvement Plan

The CEO via the Executive Director of Finance shall ensure that Title I funds used by New Frontiers Public Schools shall be aligned to the campus improvement plan. There shall be no costs expended that are not directly related to the campus improvement plan.

- a. A comprehensive needs assessment shall be conducted that will inform the drafting of the campus improvement plan. The campus improvement plan shall be aligned with the needs assessment and only needs that can be met with current funding levels shall be addressed in the campus improvement plan.
- b. New goals shall be added as new money is identified.
- c. The CEO via the School Principal shall ensure that New Frontiers Public Schools shall conduct the needs assessment and campus improvement plan prior to any grant application.

SECTION 4.4. Comparability Testing

Unless the charter school is exempt from Title I's comparability requirements, The CEO via the Executive Director of Finance shall ensure that New Frontiers Public Schools remains in compliance with all applicable comparability requirements. To ensure proper use of the receipt of any Title I, Part A funding, New Frontiers Public Schools will strive to avoid diverting state and local resources away from its Title I, Part A campus(es) by:

- a. Implementing a district-wide salary schedule. The CEO via the Executive Director of Finance shall recommend for Board approval a salary schedule that indicates salary comparability across all Title I and non-Title I campuses and positions. The district-wide salary schedule shall allow for fair and comparable compensation for each position based on each employee's job duties, special assignments, education, certifications, and experience. The Executive Director of Finance shall administer the compensation plan in a manner consistent with the annual budget adopted by the Board;
- b. Ensuring equivalence among campuses in teachers, administrators, and other staff. The

ratio of students to teachers, administrators, and other staff at each Title I campus shall be equivalent to the ratio of students to teachers, administrators and other staff at non-Title I campuses. Equivalence shall be determined by various reasonable and appropriate factors;

- c. Ensuring equivalence among campuses in the provision of curriculum materials and instructional supplies. Each Title I and non-Title I campus shall receive equivalent funding for curriculum and instructional materials. Equivalence shall be determined by various reasonable and appropriate factors; and
- d. Adjusting to Ensure Comparability. The Executive Director of Finance or designee shall conduct testing to measure comparability and maintain records documenting compliance. If any instances of noncompliance are identified, the Executive Director of Finance or designee shall promptly implement adjustments as needed to ensure comparability, seeking board approval where necessary or appropriate.

#### SECTION 5. Special Fiscal Requirements under IDEA, Part B (Special Education)

The Executive Director of Finance shall ensure that New Frontiers Public Schools complies with the specific requirements applicable to the receipt of special education funding including maintenance of effort, excess costs, supplemental use, and Coordinated Early Intervening Services.

#### SECTION 6. Charter Schools Program (CSP), NCLB Title V, Part B

##### SECTION 6.1. Compliance

If New Frontiers Public Schools receives CSP grants, the CEO via the Executive Director of Finance shall ensure that New Frontiers Public Schools shall comply and use the federal funds in accordance with all statutes, regulations, and approved applications.

##### SECTION 6.2. Fiscal Control

The CEO via the Executive Director of Finance shall directly administer or supervise the administration of any projects funded through CSP funds and shall use fiscal control and fund accounting procedures that ensure proper disbursement of, and accounting for, federal funds.

##### SECTION 6.3. Conflicts of Interest

New Frontiers Public Schools Board members and employees shall avoid apparent and actual conflicts of interest. An individual is prohibited from participating in an administrative decision regarding a project funded through CSP funds if the decision is likely to benefit that person or an immediate family member and the person is a public official or has a family or business relationship with New Frontiers Public Schools.

A person is prohibited from participating in a project to use his or her position for a purpose that is, or gives the appearance of being, motivated by a desire for a private or financial gain for that person or for others.

##### SECTION 6.4. Procurement

When using CSP funds to enter into a contract for equipment or services the CEO via the Executive Director of Finance and/or designee shall comply with the applicable federal procurement standards. No Board member, employee, officer, or agent of New Frontiers Public

Schools may participate in the selection, award, or administration of any contract supported by federal funds if a real or apparent conflict of interest exists.

## SECTION 7. National Child Nutrition Programs

### SECTION 7.1. National School Breakfast Program Participation

If at least 10 percent of enrolled students in New Frontiers Public Schools are eligible for free or reduced-price breakfasts under the national school breakfast program, provided for by the Child Nutrition Act of 1966, the New Frontiers Public Schools shall either make the benefits of the program available to all eligible students or develop and implement a locally funded program to provide free or reduced-priced meals according to each student's eligibility.

Unless the Board has obtained a waiver from the Commissioner for the applicable school year, if at least 80 percent or more of the students in New Frontiers Public Schools qualify for a free or reduced-price breakfast under the National School Breakfast Program,

New Frontiers Public Schools shall provide a free breakfast to every student at the school.

The Executive Director of Finance shall ensure the school's compliance with all federal and state rules governing administration of the National School Breakfast Program.

### SECTION 7.2. National School Lunch Program

The CEO via the Executive Director of Finance and/or designee shall ensure compliance with all federal and state rules governing the administration of the National School Lunch Program.

## 100.100 CASH MANAGEMENT & CREDIT CARD PROCEDURES

The governing body ("Board") of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

School funds are public funds. Consequently, all expenditures of school funds, including cash expenditures, shall be documented and accounted for by daily receipts.

As a general rule, cash will not be used to make purchases except from petty cash, as described below. School checks shall not be made payable to "Cash".

The CEO via the Executive Director of Finance and/or designee shall ensure that appropriate "separation of duties" are complied with in the handling of all money transactions, including reconciliation.

## SECTION 1. Accounting for Cash Transactions

### SECTION 1.1. Documentation

All cash transactions shall be recorded in writing, such as by hand a written receipt, which shall be signed and dated by the individual who receives the cash. Staff members who receive or collect money from parents or teachers shall document from whom the money was received and in what amount. A copy of the receipt shall be kept with the cash received. Such money shall be submitted to the Director of Finance and/or designee on the same school day as it is received for deposit.

### SECTION 1.2. Depositing Cash

The Executive Director of Finance and/or designee shall be responsible for ensuring that cash received is deposited in New Frontiers Public School's bank account. Deposits shall be made whenever cash receipts total \$500.00, or, at a minimum, weekly. A copy of the validated deposit

slip shall be returned to the school on same day the deposit is made or the next day after the deposit is made.

**SECTION 1.3. Petty Cash Prohibited**

The use of petty cash shall not be allowed at New Frontiers Public Schools.

**SECTION 2. Checks**

**SECTION 2.1. New Frontiers Public Schools Checks**

Any authorized check drafted on New Frontiers Public School’s bank account over \$10,000.00 shall have two authorized check signers.

The following New Frontiers Public Schools officers are authorized to sign checks from New Frontiers Public School’s bank account on behalf of New Frontiers Public Schools:

- 1) Chief Executive Officer (CEO)
- 2) Executive Director of Finance
- 3) Board President
- 4) Board Treasurer

**Each check must be completed in its entirety before it is signed by either party.**

**SECTION 2.2. Checks Received**

Checks received shall be endorsed “for deposit only” and shall either be deposited when the total amount is at least \$500.00 or at least weekly, whichever is more frequent.

**SECTION 2.3. Check Requests**

Services or products rendered, reimbursement requests with original receipts or mileage reimbursements may receive payment with a check. A check request form must be completed by the requestor and approved with a signature by the CEO via the Executive Director of Finance and/or designee. The check request form shall contain the name of the payee, the date the check is requested to be written, the amount of the check, a brief description for the issuance of the check, and the funding source that will be drawn from. Checks made payables to “Cash” are prohibited. The check request shall then be submitted to the Executive Director of Finance and/or designee for processing. All check request forms shall be maintained by the Executive Director of Finance and/or designee in the district administrative office.

**SECTION 2.4. Check Acceptance Policy**

Parents of students enrolled at New Frontiers Public Schools and employees of New Frontiers Public Schools must receive prior notice from New Frontiers Public Schools that in the event a check they have submitted to New Frontiers Public Schools is returned for insufficient funds, or any other reason, New Frontiers Public Schools shall collect from the check maker the amount originally due in addition to any fee assessed to New Frontiers Public Schools by the bank because of the returned check.

**SECTION 3. Paying Bills with State or Federal Grant Funds**

Grant funds shall not be requested from the Texas Education Agency until New Frontiers Public Schools is prepared to pay any outstanding balances within three days from when the funds are deposited in New Frontiers Public School’s bank account. The Finance Department shall ensure

that all bills, including payroll and related withholding taxes, shall be paid by New Frontiers Public Schools within three working days from when such funds are deposited in New Frontiers Public School's bank account.

#### SECTION 4. Bank Reconciliations

The CEO via the Executive Director of Finance and/or designee is responsible for bank reconciliations a minimum of once a month. Each New Frontiers Public Schools bank statement, assets, and liabilities shall be reconciled to both the checkbook and the general ledger.

#### SECTION 5. Credit Card Procedures

All authorized users of the New Frontiers Public Schools credit card assume the responsibilities pertaining to the use and reconciliation of the credit card. The New Frontiers Public Schools credit card shall only be used for school business expenditures. It may not be used for personal purchases and/or cash transactions and shall be maintained by the highest level of security.

Employees issued a New Frontiers Public Schools credit card must receive prior, documented approval from the CEO via the Executive Director of Finance and/or designee before the use of the credit card. Each credit card transaction by any user must be accompanied by appropriate documentation such as original receipts documenting each transaction.

#### SECTION 6. Activity Funds

##### SECTION 6.1. Parent/Volunteer Groups.

The CEO via the Executive Director of Finance and/or designee shall develop procedures for parent and school volunteer groups to follow in the collection of funds. Such procedures should distinguish between what the school is collecting and what the parent group is collecting. See Texas Education Code §12.108 for allowable fees that may be collected by New Frontiers Public Schools

##### SECTION 6.2. Activity Expenditures

The following individual(s) is/are authorized to approve activity expenditures:

- 1) Chief Executive Officer (CEO)
- 2) Executive Director of Finance

#### 100.120. ACCOUNTING FOR CAPITAL ASSETS

The governing body ("Board") of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

#### SECTION 1. Capital Assets

##### SECTION 1.1. Capital Asset

A capital asset for New Frontiers Public Schools is an asset that is:

- a. Tangible in nature;
- b. Has a life that exceeds one year;
- c. Is valued at \$5,000.00 or more per unit;
- d. Is reasonably identified and controlled through a physical inventory system

**SECTION 1.2. Documentation**

The CEO via the Facilities Director shall ensure that New Frontiers Public Schools maintains accurate records of capital assets in accordance with applicable rules.

**SECTION 1.3. Inventory**

The CEO via the Facilities Director will ensure that a physical inventory of capital assets takes place once every two years in accordance with rules.

**SECTION 1.4. Financial and Compliance Report**

For purposes of the Financial and Compliance Report, the CEO via the Executive Director of Finance shall ensure that the report includes:

- a. An exhibit in the financial and compliance report identifying all capital assets and the ownership interest of local, state, and federal parties;
- b. A statement that all property acquired during the term of the New Frontiers Public Schools and all property presently held by New Frontiers Public Schools may be considered public property

**100.140. INVESTMENT OF STATE FUNDS**

The governing body (“Board”) of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

**SECTION 1. Compliance**

The CEO via the Executive Director of Finance and/or designee shall ensure that New Frontiers Public Schools invests state funds in accordance with applicable state law and rules. The investment of state funds shall be made with judgment and care and not for speculation, but for investment, considering the probable safety of capital and the probable derived income.

**SECTION 2. Investment Management Firm and/or Officer**

The CEO via the Executive Director of Finance and/or designee may determine to recommend to the Board to contract with an investment management firm that is registered under the appropriate governmental entities to provide for the investment and management of the funds. Such a contract shall not exceed two years. If the Board determines to renew any such contract the board shall issue the appropriate order or resolution.

**SECTION 3. Discrete Maintenance of Records**

The CEO via Executive Director of Finance and/or designee shall ensure that all investments will be maintained in a discrete, charter investment account, separate from any other of New Frontiers Public School’s accounts.

**SECTION 4. Investments**

The following investments have received approval by the Board for the one year period from September 1 to August 31.

For details see NFPS Investment Policy

**100.160. PAYROLL**

SECTION 1. Accurate & Timely Payroll

The CEO via the Executive Director of Finance shall ensure that school employees are paid accurately and timely in accordance with applicable laws and rules. All employee's expenses will be recorded when payroll checks are paid using the "Cash Basis" of accounting method.

SECTION 2.1 Paydays

- a. Exempt Employees. The paydays for exempt employees shall be on or about the 15<sup>th</sup> and on or about the last day of the month
- b. Non-exempt Employees. The paydays for non-exempt employees shall be on or about the 15<sup>th</sup> and on our about the last day of the month

SECTION 2.2. Withholding of Wages

The CEO via the Executive Director of Finance shall ensure that the wages of school employees are not withheld except as expressly required or expressly permitted by applicable laws and rules.

SECTION 3 Payroll Advances

New Frontiers Public Schools does not issue payroll advances or loans to employees.

100.180. PROPERTY

The governing body ("Board") of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Public Property Held in Trust

SECTION 1.1. Public Property

An interest in real estate or personal property acquired, improved, or maintained using state funds that were received by New Frontiers Public Schools on, or after, September 1, 2001, is public property for all purposes under state law.

SECTION 1.2. Public Property Held in Trust

Public property is held by the New Frontiers Public Schools in trust for the benefit of enrolled students.

SECTION 2. Use of Public Property

SECTION 2.1. Allowable Use

The CEO via the Executive Director of Finance and/or designee shall ensure that public property shall only be used for a purpose for which a school district may use school district property and only to implement a program that is described in the open-enrollment charter and is consistent with the Texas Education Code §12.102.

The CEO via the Facilities Director and/or designee also shall ensure that New Frontiers Public School's employees, agents, contractors, and management companies do not use or apply public property for any purpose but a program described in New Frontiers Public School's charter.

SECTION 2.2. Exception to Allowable Use

Employees of New Frontiers Public Schools may use local telephone service, cellular phones,

electronic mail, Internet connections, and other general office equipment at the discretion of the Board for incidental personal use under the following conditions:

- a. Such incidental personal use must not result in any direct cost paid with state funds. If this does happen, the CEO via the district office shall ensure that the employee which caused the direct cost to be incurred by New Frontiers Public Schools shall reimburse New Frontiers Public Schools;
- b. Such incidental personal use shall not impede the functions of New Frontiers Public Schools;
- c. The use of public property for private commercial purposes is strictly prohibited
- d. Only incidental amounts of an employee's time for personal matters, comparable to reasonable coffee breaks during the day, are authorized under this section

#### SECTION 2.3 Violations of Section 2

##### SECTION 2.3.1. Employee Violations

The CEO via the Director of Human Resources and/or designee shall ensure that a violation of Section 2 of this policy by an employee of New Frontiers Public Schools shall have disciplinary consequences which may include termination of employment.

##### SECTION 2.3.2. Contractor Violations

The CEO via Legal Counsel and/or designee shall ensure that each contract between New Frontiers Public Schools and another party includes language stating the allowable use of public property and that a violation of the allowable use may lead to termination of a contract. If a contract is terminated based on a violation of Section 2 of this policy New Frontiers Public Schools will compensate the entity for services performed as required by law.

##### SECTION 2.4 Joint Use of Real Property

The Board President shall ensure that the Board takes a separate vote to approve any joint use of real property for charter and non-charter activities. In the meeting minutes of the vote approving the joint use, the Board Secretary shall ensure that the minutes set forth the methodology used to allocate shared costs and the percentage allocation basis between charter and non-charter activities.

#### SECTION 3. Lease of New Frontiers Public Schools Facilities

New Frontiers Public Schools may lease its facilities to various organizations such as those that are educational, religious, or civic in nature. The availability of facilities for lease by outside entities will depend on New Frontiers Public School's own needs and convenience.

#### 100.200. PURCHASING & CONTRACTING

The governing body ("Board") of New Frontiers Public Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

##### SECTION 1. Public Works Contracts

###### SECTION 1.1 Applicable Law

In awarding contracts that will involve the construction, repair, or renovation of a structure, road,



highway, or other improvement or addition to real property, the New Frontiers Public Schools, will comply with Chapter 44 of the Texas Education Code. The CEO via the Director of Operations and/or designee shall ensure that all applicable advertisement notice bid requirements are satisfied.

SECTION 1.2. Bidding Threshold

The CEO via Legal Counsel shall engage the applicable law when an expenditure of more than \$50,000 in public funds is required.

SECTION 1.3. Contract Award

The CEO via the Director of Operations and/or designee shall make a recommendation to the Board concerning the award of a public works projects bid pursuant to this policy.

In determining the contract award, the Board may take into account several factors, including:

- a. The safety record of the bidder;
- b. Whether the bidder, its employees, and agents have relevant and mandatory licensures/registrations;
- c. Complaints and/or accident reports to relevant local and/or state agencies;
- d. The purchase price;
- e. The reputation of the bidder and of the bidder's goods or services;
- f. The quality of the bidder's goods or services;
- g. The extent to which the goods or services meet New Frontiers Public School's needs;
- h. The bidder's past relationship with New Frontiers Public Schools
- i. The impact on the ability of New Frontiers Public Schools to comply with the laws and rules relating to historically underutilized businesses;
- j. The total long-term cost to New Frontiers Public Schools to acquire the bidder's goods or services; and
- k. Any other relevant factor specifically listed in the request for bids or proposals.

SECTION 1.4. Definition of Safety Record

The safety record includes a bidder's Occupational Safety and Health Administration inspection log for the last three years, a loss analysis from the bidder's insurance career, any known safety violations on previous projects, and a loss history covering all lines of insurance coverage by the bidder.

## SECTION 2. Public Works Contracts – Chapter 44 of the Education Code

### SECTION 2.1. Applicable Law

In awarding contracts that will involve the construction, repair, or renovation of a structure, road, highway, or other improvement or addition to real Property (“construction services”), the New Frontiers Public Schools will comply with Chapter 44, Subchapter B, of the Education Code. Pursuant to Chapter 44, Subchapter B, of the Education Code, New Frontiers Public Schools shall select a method pursuant to Chapter 2269 of the Texas Government Code for construction services.

### SECTION 2.2. Bidding Threshold

This policy applies when an expenditure of more than \$50,000 in public funds is required for construction services.

### SECTION 2.3. Delegation of Authority

The Board of Directors may/may not delegate any or all of its authority under this Policy to the CEO. The act of delegating authority itself shall be accomplished through an act of the Board of Directors at a lawfully held meeting in compliance with the Texas Open Meetings Act. Upon delegation of such authority, the CEO, shall have and may exercise the power and authority of the Board of Directors pursuant to this Policy.

If the Board of Directors has delegated any of its authority under this Policy, the CEO shall ensure that any request for bids (RFB), proposals (RFP), or qualifications (RFQ) issued by New Frontiers Public Schools, shall provide notice of the delegation, the limits of such delegation, and include the name and title of each person to whom authority has been delegated. If the Executive Director fails to include such notice, any action taken under this Policy by the Executive Director must be ratified by the Board through formal action at a meeting held in compliance with the Texas Open Meetings Act.

### SECTION 2.4. Selection of Construction Methodology

For each expenditure of more than \$50,000 for construction services, the Board of Directors shall determine the procurement method that provides the best value to New Frontiers Public Schools in accordance with applicable law. The procurement methods available to New Frontiers Public Schools are as follows:

- a. Competitive Bidding
- b. Competitive Sealed Proposals
- c. Construction Manager-Agent
- d. Construction Manager-at-Risk
- e. Design-Build Contract
- f. Job Order Contracts

SECTION 2.5. Use of Architect or Engineer; Use of Other Professional Services.

The selection or designation of any architect or engineer, or the procurement of construction materials, engineering services, testing and inspection services, or verification testing services shall be made on the basis of demonstrated competence and qualifications in accordance with Section 3 of this Policy.

SECTION 2.6. Sealed Bids.

The CEO or Designee shall ensure that all bids, proposals or qualifications are sealed.

SECTION 2.7. Contract Award

In determining the award, regardless of the procurement method selected, the Board must consider any existing laws, including any criteria, related to historically underutilized businesses and/or existing laws or criteria related to the use of women, minority, small or disadvantaged businesses. The Board may take into account several factors, including:

- a. Price
- b. Experience and Reputation
- c. Quality of Goods and Services
- d. Impact on the ability of New Frontiers Public Schools to comply with rules relating to historically underutilized businesses
- e. Safety Record
- f. Proposed Personnel
- g. Financial capability appropriate to the size and scope of the project
- h. any other relevant factor provided it is specifically listed in the RFB, RFP, or RFQ

The Board shall make its selection based on the applicable criteria for the particular procurement method and document the basis for its selection. The CEO or Designee shall ensure that the evaluations are made public not later than the seventh (7th) day after the date any contract is awarded.

SECTION 2.8. Advertisement/Notice of Procurement Request and Notice.

The CEO or Designee shall ensure compliance with any advertisement or notice required by Chapter 2269, Texas Government Code upon the issuance of a request for proposal, bid or qualifications, and that any such notice contains the following:

- a. The time by when and the place where the bids, proposals, or responses will be received and opened; and
- b. The criteria for the particular procurement method that will be used to evaluate the bids, proposals or responses.

### SECTION 3. Professional Services

#### SECTION 2.1. Applicable Law

The CEO via Legal Counsel and/or designee shall ensure that professional service providers are selected in accordance with the applicable law.

### SECTION 4. Workers Compensation

#### SECTION 4.1 Applicable Law

The CEO via Legal Counsel and/or designee shall ensure that any workers compensation benefits for employees are selected and provided in accordance with applicable law.

### SECTION 5. Cooperative Purchasing Programs and Interlocal Contracts

SECTION 5.1 The CEO shall ensure full compliance with all applicable law and rules if New Frontiers Public Schools has amended its charter to enter into a cooperative purchasing program

SECTION 5.2 The CEO shall ensure full compliance with all applicable law and rules if New Frontiers Public Schools has determined to enter an interlocal contract with another open-enrollment charter school or any other entity permitted by law to enter into interlocal contracts.

### SECTION 6. Other Purchasing and Contracting

#### SECTION 6.1 Appropriate Value

In awarding contracts for goods and services that are not governed by Sections 1, 2, or 3 of this policy, the CEO via the Finance Director and/or designee shall ensure that the New Frontiers Public Schools receives appropriate value for the expenditure.

#### SECTION 6.2. Competitive Process Threshold

In an expenditure of school funds for a contract awarded under Section 4.1 will exceed \$50,000.00, and then the CEO via the Finance Director and/or designee shall engage a competitive process before selecting a person or entity to which to make the award.

#### SECTION 6.3. Purchase Order

The CEO via the Executive Director of Finance and/or designee shall establish procedures identifying a purchase order process as the method for purchasing or expending funds. Approval for a purchase or expenditure of funds must be obtained by either the CEO or Executive Director of Finance and/or designee before the purchase or expenditure of funds is made.

### SECTION 7. Board Approval Required

For any contract or purchase made pursuant to this policy, the board of trustees shall approve all contracts valued above \$100,000. The CEO and/or designee does not have authority to bind the board of directors or New Frontiers Public Schools to any contract for goods and/or services valued above \$100,000. Any contract or purchase valued above this amount that is not approved by the New Frontiers Public Schools board of directors is void and ineffective.

### SECTION 8. State Travel Management Program

Board members, officers, and employees, engaged in travel on official business of New Frontiers Public Schools shall utilize the Texas Comptroller's State and/or Federal Travel Management Program where it provides a better value for New Frontiers Public Schools.