

Katherine Anne Porter School

Financial and Accounting Manual

October 2011

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1.0 PURCHASING GUIDELINES

1.1 Purchasing Process The Katherine Anne Porter School uses a Purchase Order system to control and administer the acquisition of supplies, materials and capital outlay. This process provides for preparation of a Purchase Order by the requesting staff member, its review and approval by the Assistant Superintendent, and its processing by the Business Office. The final step in this process is the transmittal of the Purchase Order to the vendor. **KAPS will only be held responsible for items purchased with a valid Purchase Order. Failure to follow established purchasing guidelines may result in the employee being personally liable.**
Purchasing Regulations - TEC Section 44.031

1.2 Approval Levels

Amount of Approval	Purchasing Guidelines	Levels of Approval
Up to \$1,000	Non Competitive	Assistant Superintendent
\$1,000 - \$5,000	Three oral or internet quotes must be obtained and documentation submitted with the purchase requisition.	Assistant Superintendent
\$5,000 - \$10,000	Three oral or internet quotes must be obtained and documentation submitted with the purchase requisition.	Assistant Superintendent/ Superintendent/ CFO/Board
\$ 10,000 - 20,000	Three written quotes must be obtained and documentation submitted with the purchase requisition.	Assistant Superintendent/ Superintendent/ CFO/Board
\$ 20,000 - \$50,000	Three written quotes must be obtained and documentation submitted with the purchase requisition.	Assistant Supt/ Superintendent/ CFO/Board
Over \$50,000	Formal Purchasing Process required. See 1.3 below.	Board of Directors

- Note 1.** Each level of approval is in addition to the prior levels of approval. Example: A \$12,000 purchase initiated at the Assistant Superintendent level would require up to 3 approvals.
- Note 2.** When the aggregate (*accumulated*) purchases of similar items (i.e. printing, projector bulbs, etc.) by KAPS in a 12 month period is expected to exceed the \$50,000 limit, the RFP process must be used.
- Note 3.** Any item being requested for purchase that has a Sole Source supplier, requires a signed sole source letter from the provider to that effect. Sole source letter should be attached to the purchase requisition order. Sole source purchases are subject to the Levels of Approval as listed above.
- Note 4.** Purchase of an item from a Cooperative Purchase Contract must list the Source and Contract Number on the purchase requisition. (Note #1 also applies.)
- Note 5.** All RFPs (*Request For Proposal*) must be developed in consultation with the CFO or Designee.
- Note 6.** “**Capital Outlay**” purchases with a unit value of \$5,000 or more are to be coded to the 6639 object code. “**Controllable Assets**” purchases with a unit value of \$500-\$4,999 are to be coded to the 6395 object code.

1.3 Formal Purchasing Process

A formal purchasing process is required when the item(s) to be purchased have a probable cost in excess of \$50,000 and are available from multiple sources. Purchase of Goods using a Request for Sealed Proposal.

Purchase of Goods in excess of \$50,000 using a Request for Sealed Proposal- (RFP)

- Requesting Director submits product specifications to the CFO with the suggested proposal opening date. Where practical, specifications should to be sufficiently broad to promote competitive pricing.
- CFO completes the RFP including the requested specifications.
- CFO will advertise the RFP and may mail a notice to prospective bidders and/or post the RFP on the KAPS web site.
- Received proposals are opened and acknowledged on the date and at the time specified. At least two KAPS employees are to be present at the proposal opening. (It is not required by state law that prices be read aloud.)
- Deputy CFO or requesting Director will prepare a proposal recap based upon selection criteria. If appropriate, companies submitting proposals are contacted to:

- a. Clarify missing or confusing information.*
- b. Negotiate for the best prices, products, services, and/or terms.*
- c. Establish the deadline for all vendors to submit their "best and final" offer.*

- Requesting Director makes a written recommendation to the Deputy CFO for award of the contract.
- KAPS levels of approval: Deputy CFO or requesting Director checks references on Best Value proposal/s. Best Value proposal/s is identified.
- Deputy CFO or requesting Director verifies ability of the Best Value to perform the contract.
- apply as listed in Section 1.2. The Deputy CFO will make arrangements for Board approval where applicable (in excess of \$50,000).
- Upon approval, the requesting Director prepares Purchase Requisition including the following statement: "Purchased in accordance with specifications, price and terms contained in RFP dated _____."
- Deputy CFO notifies all companies submitting proposals of award.
- Deputy CFO will maintain the official RFP file containing copies of all pertinent documents.

1.4 Completion of the Purchase Order

The Purchase Order is used by employees to submit purchase requests for goods or services. After visiting with the administrative secretary, the requester should follow guidelines found at the front desk for completion of requisitions.

The business office will not accept requisitions unless the following criteria have been met.

- The budget code(s) exist(s)
- The items requested meet the criteria of the budget code to which they are charged
- There is sufficient budget balance in the account and/or the project to permit processing of the order

Additional information specific to certain Requisitions:

- A copy of a quote attached with the purchase order must be received in the Business Office for requisitions that reference a quote and will be faxed to the vendor (see 1.2 above for formal purchasing request)
- Travel requisitions require the name of the person traveling, the date(s) traveling, the destination and the reason for traveling. A copy of the travel itinerary must be received by the Business Office before the requisition will be processed.

When the criteria above have been met, the employee alerts the Assistant Superintendent that pending purchase requisitions are ready for approval by turning in all supporting documents to his/her box.

1.5 Completion of Purchase Orders

Purchase Orders are processed only after the Business Office has received the approved Purchase Requisition through the above system.

Purchase Orders are faxed unless the requisition states that the Purchase Order will be picked up, mailed or called in to the vendor.

Purchase Order distribution:

- Vendor
- Accounts Payable (quotes or required support attached)
- Permanent File

Purchase Orders are processed by 2 PM each business day.

Purchase Requisitions received after 2 PM are processed the next business day.

1.6 Returning Materials to Vendors

There are occasions when materials are received but are unsatisfactory. The employee may wish to return these materials to the vendor. After the Assistant Superintendent has approved the return of merchandise, the employee shall then contact the company asking whether the item may be returned.

Accounts Payable must be notified of the return at this time in order to hold payment of an unpaid invoice until a credit for the returned merchandise can be received.

The employee returning merchandise must weigh the item, access the UPS database, type in pertinent information to schedule the item to be picked up, print and attach shipping labels. The merchandise to be returned must then be given to the administrative secretary in the front office.

1.7 Receipt of Merchandise

KAPS utilizes the front desk as the Central Receiving Office. All incoming merchandise is to be initially delivered to Central Receiving for receipt verification. The Administrative Secretary verifies and documents the receipt of merchandise in the delivery receipt log, where all verified packing slips are also kept. Upon completion of this process, the clerk writes the name of the staff person who ordered the merchandise on each box with a black magic marker. When the materials are delivered, the staff person receiving them signs the Delivery Receipt Log. If an employee receives a package that does not have their name written on it in black magic marker, the package has not been through the Central Receiving Office and the employee must return the item to the receiving area for proper handling.

Any invoices mailed directly to an employee must immediately be sent to the Central Receiving Office. Under no circumstance shall any package be taken from the Receiving Area without signing the Delivery Receipt Log or without permission from the Administrative Secretary.

Direct Payment Requests

There are instances when payment can be made for the acquisition of goods and services without Purchase Order issuance.

These instances include:

- Conference pre-registration
- Orders to vendors who will not accept a Purchase Order due to nature of transaction, small dollar value of order or company policy.
- Reimbursement for items personally purchased with prior division approval.
- Payments on Letters of Agreement
- Memberships, dues and subscriptions
- Utilities

In any of the instances above, the Direct Payment Request Form is used to initiate payment guidelines.

Required data to be included on the Direct Payment Request:

- Department
- Date submitted
- Name, address and attention to of party or firm to be paid
- Payment amount
- Reason for reimbursement of items: personally purchased, invoice, conference pre-registration, etc.
- Invoice numbers/Invoice amounts
- Description of what has been purchased (why, when, where)
- Employee signature
- Department approval
- Assistant Supt. approval
- Written documentation to support the request amount

Receipts received after all pre-pays have been made payable to the vendor must be submitted to the Assistant Superintendent for final documentation and support of the Direct Payment.

Original receipts are preferred, faxes or copies are accepted when original is not available.

NOTE: Should the vendor need additional information to support a payment (Ex: A copy of their invoice), please paper clip the remittance copy to the back of the direct payment request form so this can be sent to the vendor with the check.

2.0 STAFF REIMBURSEMENT OF EXPENSES

An employee shall be reimbursed for **actual**, reasonable, and allowable expenditures incurred in carrying out KAPS business in accordance with legal requirements.

2.1 In-Region Travel

KAPS employees who use their personal car to conduct KAPS professional training in the region shall be reimbursed on a per mile basis. The mileage claimed on the In-Region Mileage Reimbursement Form may not exceed the actual number of miles traveled for training purposes: The actual reimbursement will not exceed the most cost-effective route between two points. If the most cost-effective route to and from a duty point is the residence of the employee, that distance will be the basis of the actual amount reimbursed. If the most cost-effective route to and from a duty point is the KAP School, that distance will be the basis of the actual amount reimbursed. The mileage reimbursement rate is inclusive of all expenses associated with the employee's use of his or her vehicle.

Point-to-point mileage should be documented by odometer readings at the start of your business travel and odometer reading at your return or by using a mapping service to determine miles based on physical addresses listed as start and end points. The itemization must be sufficiently detailed for the business office by documenting, on the In-Region mileage reimbursement form,

your physical start point address, physical end point address, start odometer mileage and end odometer mileage (or miles given by mapping service) to verify the number of miles to be reimbursed. With this information provided you will not be required to submit a mapquest attached to your form.

The Employee In-Region mileage reimbursement form documents this travel and is the basis for payment. **Travel Reimbursement Requests are to be submitted within 30 days of the travel date.**

**Reimbursement requests that are incorrect or incomplete for any reason will be returned to the requestor*

Required data to be included on the Employee In-Region Travel Reimbursement Form:

- Name
- Date Submitted
- Date/s of travel
- Start point Address (KAPS or Home-whichever is closer to destination)
- Physical Destination Address
- Purpose of travel/Duties Performed
- Odometer reading at the start point of Business Travel
- Odometer reading at the end of Business Travel
- OR
- Miles as given on mapping service (such as google maps)
- Total mileage this trip
- Total mileage multiplied by reimbursement rate
- Total Toll and / or Parking Fees (receipts must be attached)
- Signature of employee requesting reimbursement
- Department approval
- Assistant Supt approval

2.2 - Out of Region Travel

Out of region travel must receive **approval prior to the dates of travel** by the Superintendent, Principal, and Assistant Superintendent. The Out of Region Travel Request Form serves this purpose.

Required data to be included on the Out of Region Travel Request Form:

- Employee name
- Date of request
- Date(s) of proposed travel
- Destination(s)
- Estimated mileage/Mode of transportation
- Estimated cost
- Purpose of travel
- Superintendent, Principal, Assistant Superintendent Approval Signatures

2.21 - The Employee Out-of-Region Travel Reimbursement Form is used to reimburse out-of-region staff travel upon return. Specific allowances are made for meals, lodging and travel each year. **Travel Reimbursement Requests are to be submitted within 30 days of the travel date.**

**Reimbursement requests that are incorrect or incomplete for any reason will be returned to the requestor*

Required data to be included on the Out of Region Travel Reimbursement Form:

- Employee name
- Travel to/from points (A separate mileage reimbursement form must be attached if applicable).
- Purpose of travel / description of activity
- Departure and return dates and times
- Reimbursement amounts
- Signature of employee traveling
- The approved Out of Region Travel Request Form

Receipts are required for each expense and must accompany the Employee Out-of-Region Travel Reimbursement Form. All expenses must be listed. This includes items that may have been pre-paid such as registrations, hotels, & airfare.

Out-Of-Region travel and reimbursement guidelines:

Notes:	It is incumbent on each employee to ensure KAPS is getting the best lodging rate for each city to which the employee is traveling. It has been KAPS practice to allow staff to stay in hotels where conferences are occurring or in hotels within close proximity to where conferences are occurring. In the event that the lodging rate for these hotels is more than the Federal Rate Schedule per night for that city, the overage must be paid by the employee.
In-State and Out-of-State Lodging	Refer to the GSA website Domestic Maximum Lodging Rates to determine maximum nightly allowance. Itemized receipts are required for lodging (confirmations, pre-registrations are not sufficient – we must have final itemized bill). For cities/counties not listed, the nightly rate is \$85
Out-of-State Meals	Actual amounts paid for meals should be submitted for reimbursement. Requests for meal reimbursements for each destination may not exceed the allowed maximum daily rate on the GSA website. Itemized receipts must be provided. Refer to the federal Domestic Maximum Meal Rates. Select your state, click on the FY10 M&IE breakdown, the maximum shown minus the \$5 for incidentals will be the maximum reimbursement allowed. For areas not listed on the GSA site, reimbursement will not exceed \$36: with a maximum of Breakfast \$8, Lunch \$12, Dinner \$16.
Out-of-Region Meals	Actual amounts paid for meals should be submitted for reimbursement. Requests for meal reimbursements may not exceed the maximum of \$45 a day with a breakdown of: Breakfast\$10, Lunch \$15, Dinner \$20. Reimbursements for meals will depend on departure and arrival times as stated on the Maximum Daily Meal Rate worksheet. For areas not listed on the GSA site, reimbursement will not exceed \$36: with a maximum of Breakfast \$8, Lunch \$12, Dinner \$16. Please provide itemized receipts when possible.
Non-overnight Out-Of-Region Meals	Not to exceed \$36, Itemized receipts are required and travel must be longer the 6 hours: Breakfast \$8 Lunch \$12 Dinner \$16
Airfare	When air travel is necessary, use the following guidelines: Employee shall reserve the flight with travel company after receiving a signed copy of the Out-of-Region request form. Employee shall complete a Purchase Requisition which includes who, when, why and where the flight is destined. Because flight information may be time sensitive, an e-mail notification should be immediately sent to the requisition approver and a paper

	<p>copy should be given to the Assistant Superintendent that contains the itinerary for the flight.</p> <p>An Itinerary / Invoice with the Purchase Order referenced is requested to be sent to the Assistant Superintendent from the travel company by fax or e-mail</p>
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3.0 PAYMENT FOR CONTRACTED SERVICES

3.1 Contract Guidelines

To Encumber a contract:

After contracting information has been submitted, the following completed forms with proper signatures must be sent to the business office before a contract will be encumbered.

1.Service Agreement (clear statement of cost and services to be performed) with contractor’s signature

2.Current IRS W-9 with contractor’s signature ***The IRS requires that we obtain a W-9 (must be current yearly) to certify that the person/business we pay is not subject to backup holdings, that they are a citizen of the U.S., and to help us report their income received based on classification listed such as Individual, Corporation, Partnership, etc. as they all have separate tax responsibilities/reporting.*

For Payment on a contract:

For payments to be processed on encumbered contracts, the following information must be sent to the business office.

**Requests that are incorrect or incomplete for any reason will be returned to the requestor*

- Payment Request form with proper KAPS original signatures.
- Invoice or statement of work performed with contractor’s original signature.
- The criteria used to select this contractor. This may be a Vita, resume’, evidence of prior experience with the school or other qualifying information.

Reimbursements will be made **for actual**, reasonable, and allowable expenditures incurred in carrying out KAPS business in accordance with legal requirements.

A Form 1099 will be furnished to the IRS for consultant payments made in excess of \$600 or more. The dollar amount of the 1099 revenue must be claimed by the consultant as additional income.

4.0 CASH DISBURSEMENTS GUIDELINES

4.1 Computer Check Cycle Schedule

Payment transactions are processed on a weekly basis; checks are issued on a weekly basis. Approved transactions in the Business Office by 5:00 pm Wednesday will have checks distributed on Friday by 5:00pm. Payment transactions received after Wednesday will go into the following week's check cycle.

4.2 Purchase Order Transaction Payments

No payment can be made on a Purchase Order without the following:

- Invoice referencing the Purchase Order Number detailing goods, unit cost and total amount due
- Receiving Report substantiating receipt of the items invoiced

4.3 Single Issue Check Guidelines

Provision is made for issuing a check in advance of the next scheduled check cycle when waiting will incur hardship or **when a late fee or additional costs may be incurred by KAPS**. Upon approval of the Director on the applicable forms and approval by the Business Office, a single issue check is produced.

5.0 PETTY CASH GUIDELINES

5.1 Petty Cash Guidelines

A clear log is kept of cash source with date, quantity cash received/used and for what purpose

Invoice or receipt is attached to petty cash log.

6.0 PAYROLL GUIDELINES

6.1 Processing a New Employee

Upon receiving the employee's new hire packet from the Administrative Secretary, the new employee's information is entered in the TxEIS payroll system by the Superintendent.

6.2 Payroll Authorization Page

The Payroll Authorization page in the New Hire Packet facilitates placement of a newly hired individual on KAPS payroll. A properly completed packet must be submitted to the Superintendent by 15th of the month for an employee to receive a check in the first month of service. The Payroll Authorization page is completed by the Assistant Superintendent.

Required data includes:

- Social Security Number
- Employee name
- Title as listed on job description
- Pay grade
- Beginning date of employment
- Number of months in position
- Annual Salary
- Insurance eligibility status
- Budgetary account number(s) and amount (If employee will be paid from multiple account numbers, fill in percentage of salary each account will contribute rather than dollar amounts)
- Comments Section

6.3 Other Required Payroll Forms

A new employee must submit the following forms which are included in the new hire packet to the Administrative Secretary before they can be added to the payroll:

- Employee Profile Page
- Emergency Contact Info
- Withholding Tax Allowance Certificate (IRS Form W-4)
- Teacher Retirement Personal Data Form (TRS Form 5)
- Employment Eligibility Verification Form (US Dept. of Justice Immigration and Naturalization Form I-9)

6.4 Optional Deductions

There are a number of optional payroll deductions an employee may elect to take. They include:

- Additional Withholding (Part of form W-4)
- Health insurance
- Life insurance
- Dental insurance
- Cancer insurance/Intensive care insurance
- Vision insurance

6.5 KAPS Contributions toward Employee Insurance

The Board of Directors establishes KAPS contribution rates for appropriate insurances when the annual operational budget is adopted.

6.6 Pay Dates

KAPS maintains a monthly payroll. The Assistant Superintendent distributes paychecks by 2:00PM on the day of payday.

6.7 Time Sheets

Auxiliary Personnel and Hourly Employees are required to complete a Time Sheet each month. Specific timesheets exist for specific jobs (ex: sub, tutor, driver, maintenance). It must be signed and dated by the employee in advance of turning it in. Time must be recorded to the minute of work performed. Total time worked must be recorded by the employee and multiplied by their hourly rate. Time Sheets are to be completed **daily** and turned in to the Administrative Secretary by 3:00 on the timesheet due date. **Timesheet due days will be posted on the front door and staff room door. The Principal must verify accuracy and sign, and the Assistant Superintendent must sign and code the Time Sheet.**

6.8 Time and Effort Reporting

Employees paid from more than one source, of which one is federal, are required to complete time and effort forms on a monthly basis. **The Superintendent must approve the Time and Effort Form.**

6.9 Approved Leave Types

KAPS has two types of leave:

- Local Sick/Personal Leave
- State Sick/Personal Leave

The policy on leave is clearly outlined in the KAP employee handbook.

Employees must sign approval of their leave sheets at the end of each year.

6.10 Request for Approved Leave Form

A Request for Approved Leave form must be completed to document any planned days away from duty.

Completing the Form

The request form must be submitted to the Principal in advance for vacation leave. It should detail:

- Employee name

- Date(s) of absence
- Reason for absence
- Employee signature and date

The employee is responsible to notify the Administrative Secretary of their absence in advance. The employee must provide thorough lesson plans for their sub and all of the materials that the sub will need to complete the lesson plans. The employee is responsible for finding their sub from KAPS approved list of sub teachers and working with the Admin secretary to secure the sub.

Approval

The Principal has the authority to approve leave. The principal will sign one copy of the Request for Approved Leave form to approve the leave and return it to the employee, he will give the original copy to the Superintendent to put in the employees file, and one copy will be given to the Administrative Secretary to keep with her records. The Admin secretary will keep an accurate log of all employee absences, which will be given to the Assistant Superintendent before each payroll so that the data can be input and processed with the monthly payroll.

7.0 CASH RECEIPTS GUIDELINES

7.1 Cash Receipts Guidelines

Any monies received by a KAPS employee must be submitted directly to the Assistant Superintendent. All monies are to be put into an envelope. The envelope shall indicate the appropriate account(s), to which the monies should be deposited, the total monies contained in the envelope and, of that total, the amount that consists of cash money. **Monies are never to be left in an In Box. All monies not deposited the same day are to be secured in a locked drawer in the Assistant Superintendent's office.**

8.0 CAPITAL ASSET PROCEDURE

8.1 Capital Asset Definition

To qualify as a capital asset, an item must meet the following criteria:

- It must be tangible in nature
- It must have a life expectancy of longer than two years in its originally purchased shape or form
- Must have a unit value of \$5,000 or greater
- It must be reasonably controlled

Capital assets are coded to the 6639 account.

8.2 Acquisition Guidelines

Purchase of capital assets is accomplished in the normal purchasing guidelines. Any questions as to whether an item is to be classified as a capital asset should be directed to the CFO. **The CFO approves all 6639 account purchases.** The administrative secretary tags all 6639 items and lists the items on the inventory receipt form. The Accounting Assistant uses the invoice receipt form and invoice data to enter the listed information into the capital asset module. In this way, the capital assets perpetual record is maintained in agreement with general ledger activity. Inventory Receipt Form

8.3 Reporting Losses

Upon knowledge of any missing items perceived to be due to burglary or vandalism, the employee shall report to the Superintendent to complete a Loss Report so that the police and insurance company may be notified.

8.4 Capital Asset Transfers / Deletions

Disposal of Surplus Property and Equipment

The Assistant Superintendent must approve and process the disposal and/or resale of all KAPS property, including, but not limited to, fixtures, non electronic equipment and supplies.

The Technology Director must approve and process the disposal and/or resale of all ESC technology equipment, including, but not limited to, computers, printers, scanners, televisions, projectors, cameras, and phones.

The Superintendent must approve and process the disposal and/or resale of all KAPS furniture, partitions and related fixtures.

Disposal and/or resale will be carried out according to the procedures as outlined in this section.

Removal Procedures

When departments have surplus computer equipment, furniture or other equipment that needs to be removed, the following steps should be taken. Appropriate notice and approval within the department should be secured.

Computer Equipment

Provide a list and description of the items to be removed. Notify the Technology Director who will review the request for accuracy and completeness and coordinate the pickup of the equipment with the contact person. The Tech Director will adjust KAPS inventory to note the pickup of the items.

Other Equipment and Materials

Provide a list and description of the items to be removed to the Asst Supt. The Asst. Supt. will review the request for accuracy and completeness and coordinate the pickup of the equipment with the contact person and maintenance personnel. The Business Office will adjust KAPS inventory to note the pickup of the items.

Furniture, Partitions and Related Fixtures

Provide a list and description of the items to be removed to the Superintendent. The Superintendent will review the request for accuracy and completeness and coordinate the pickup of the equipment with the contact person and maintenance personnel. If the item(s) are in good working condition, they will be placed in storage and redistributed.

If the item(s) are in need of repair or are incomplete, every effort will be made to repair and redistribute.

When furniture or equipment can be used by the department in the near future due to renovation, expansion, etc., the item may be stored for the exclusive use of that department. Indeterminate storage is discouraged.

Equipment Disposal

Disposal of any electronic equipment, furniture, equipment or other items that are the property of KAPS must be under the approval and direction of the Assistant Superintendent.

Property no longer suitable or useful to KAPS may be disposed of by sale to school districts, charter schools or sold to employees or outside parties.

All items in poor working order or damaged beyond repair will be disposed of by recycling companies or waste management.

Employee Purchase

Employees will be notified periodically by the Administration when electronic equipment, furniture or other items are for sale.

Donations

KAPS may choose to donate surplus items to community partners and other qualified organizations, as defined under section 170 (c) of the Internal Revenue Code, such as, religious, charitable, educational, scientific, literary, etc. organizations.

Proceeds From Sale of Surplus Property

Monies from the sale of surplus property, including sales to individuals, recycling or waste management companies, will be deposited in the General Fund account.

Surplus Property Contacts

Any questions or concerns regarding Surplus Property Procedures should be directed to:

- **Computer/Electronic Equipment**
Technology Director
- **Non Electronic Equipment/Supplies/Materials**
Assistant Supt.
- **Furniture/Partitions/Fixtures**
Superintendent

9.0 Contracts and Authority

9.1 Authority

Employees such as the Superintendent, CFO, Assistant Superintendent and Principal must be authorized by the Board with Signature Authority. At no time will there be more than three employee authorized signers. The Board Treasurer is an additional approved signer for payments of over \$5,000.

- | | | |
|---|-------|----------|
| A. One authorized signer | up to | \$1,000 |
| B. Assistant Superintendent is authorized signer | up to | \$5,000 |
| C. Two authorized signers including the Board treasurer | over | \$5,000. |

Agreements such as MOUs, Inter-Local Agreements, Shared Service Agreements, or Inter Agency Agreements should be signed by the Superintendent.

9.2 Legal Review of Contracts and Agreements

A. The Superintendent shall perform legal review of contracts and agreements prior to approval and signature as described herein:

- (1) Contracts or agreements in excess of \$50,000 (The \$50,000 limit applies also to multi-year contracts totaling \$50,000 or more.)
- (2) All contracts or agreements that have rights or commitments in excess of one year.
- (3) All contracts or agreements that provide indemnification against claims (whether by or for the benefit of KAPS) or seek to limit the amount or type of liability in any way.
- (4) All contracts or agreements containing provisions establishing the choice of law or the forum or means for resolution of disputes.
- (5) All contracts and agreements containing provisions requiring confidentiality or non-disclosure obligations.

9.3 Conflicts of Interest

- A. It is the responsibility of all KAPS employees to ensure that KAPS does not enter into contracts that present conflicts of interest. KAPS administrative employees must accordingly exercise their authority in a manner consistent with applicable conflict of interest policies.
- B. If a conflict arises, a KAPS employee who otherwise has contract signatory authority must disclose the conflict promptly to his/her supervisor before entering into contract negotiations or contract review and excuse him/herself from any involvement in the contract. The supervisor shall assume responsibility for the contract or arrange for the appointment of a substitute responsible administrator.
- C. Apparent violations of conflict of interest policies and protocols should be reported to the superintendent or Chief Financial Officer.

9.4 Unauthorized Contracts or Agreements

- A. KAPS does not recognize a contract or agreement as binding unless its signatory has Signature Authority. Employees who enter into contracts or agreements without authority may be personally liable for such agreements.
- B. Employees who enter into unauthorized contracts or agreements may be subject to disciplinary action, up to and including termination.