

AGENDA

REGULAR SCHOOL BOARD MEETING

GADSDEN COUNTY SCHOOL BOARD
MAX D. WALKER ADMINISTRATION BUILDING
35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA

January 26, 2016

6:00 P.M.

THIS MEETING IS OPEN TO THE PUBLIC

1. CALL TO ORDER
2. OPENING PRAYER
3. PLEDGE OF ALLEGIANCE
4. RECOGNITIONS

ITEMS FOR CONSENT

5. REVIEW OF MINUTES - **SEE ATTACHMENT**

- a. December 15, 2015, 4:30 p.m. – School Board Workshop
- b. December 15, 2015, 6:00 p.m. – Regular School Board Meeting

ACTION REQUESTED: The Superintendent recommends approval.

6. PERSONNEL MATTERS (resignations, retirements, recommendations, leaves of absence, terminations of services, volunteers, and job descriptions) – **SEE PAGE #4**

- a. Personnel 2015 – 2016

ACTION REQUESTED: The Superintendent recommends approval.

7. BUDGET AND FINANCIAL TRANSACTIONS

- a. Write Off of State School Recognition Funds and Release of Discretionary Funds – **SEE PAGE #6**

Fund Source: General Fund
Amount: \$45,577.21

ACTION REQUESTED: The Superintendent recommends approval.

- b. Resolution 15-07 – Board’s Intention on Use of General Funds
SEE PAGE #8

Fund Source: General Funds
Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.
 - c. Internal Accounts Audit Contract – **SEE PAGE #11**

Fund Source: General Fund
Amount: \$27,500.00

ACTION REQUESTED: The Superintendent recommends approval.
 - d. Internal Accounts Audit Report – **SEE PAGE #24**

Fund Source: N/A
Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.
8. AGREEMENT/CONTRACT/PROJECT APPLICATIONS
- a. Federal Programs Purchase Orders – **SEE PAGE #58**

Fund Source: Federal
Amount: \$42,402.95

ACTION REQUESTED: The Superintendent recommends approval.
 - b. PSTB Consulting, LLC, Dr. James W. Brown, Jr., Owner - **SEE PAGE #61**

Fund Source: Title II & Title X
Amount: \$10,000.00

ACTION REQUESTED: The Superintendent recommends approval.
 - c. Panhandle Area Educational Consortium (PAEC) Virtual School Agreement
SEE PAGE #64

Fund Source: FEFP
Amount: Undetermined – based upon enrollment

ACTION REQUESTED: The Superintendent recommends approval.
 - d. Memorandum of Understanding Between United Way of the Big Bend, Liberty Community Health Care, Inc., and Gadsden County Schools
SEE PAGE #69

Fund Source: N/A
Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.

- e. Uniform Grant Guidance Implementation Procedures – **SEE PAGE #72**
 Fund Source: N/A
 Amount: N/A
 ACTION REQUESTED: The Superintendent recommends approval.
- 9. **STUDENT MATTERS – SEE ATTACHMENT**
 - a. Student Expulsion – See back-up material
 Case #23-1516-0231
 ACTION REQUESTED: The Superintendent recommends approval.
 - b. Student Expulsion – See back-up material
 Case #24-1516-0231
 ACTION REQUESTED: The Superintendent recommends approval.
- 10. **SCHOOL FACILITY/PROPERTY**
 - a. Permission to Trade International Bus – **SEE PAGE #110**
 Fund Source: Applicable Funds
 Amount: \$0.00
 ACTION REQUESTED: The Superintendent recommends approval.
 - b. Florida Building Code Adoption – **SEE PAGE #114**
 Fund Source: N/A
 Amount: N/A
 ACTION REQUESTED: The Superintendent recommends approval.
- 11. **EDUCATIONAL ISSUES**
 - a. School Field Trip Requests (Out-of-State) – Gadsden Technical Institute
SEE PAGE #116
 Fund Source: N/A
 Amount: N/A
 ACTION REQUESTED: The Superintendent recommends approval.

ITEMS FOR DISCUSSION

- 12. FACILITIES UPDATE
- 13. EDUCATIONAL ITEMS BY THE SUPERINTENDENT
- 14. SCHOOL BOARD REQUESTS AND CONCERNS
- 15. ADJOURNMENT

The School Board of Gadsden County

Reginald C. James

SUPERINTENDENT
OF SCHOOLS

35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA 32351
TEL: (850) 627-9651
FAX: (850) 627-2760
www.gcps.k12.fl.us



"Building A Brighter Future"

January 26, 2016

The School Board of
Gadsden County, Florida
Quincy, Florida 32351

Dear School Board Members:

I am recommending that the attached list of personnel actions be approved, as indicated. I further recommend that all appointments to grant positions be contingent upon funding.

Item 6A Instructional and Non-Instructional Personnel 2015-2016

The following reflects the total number of full-time employees in this school district for the 2015-2016 school term, as of January 26, 2016.

<u>Description Per DOE Classification</u>	<u>DOE Object#</u>	<u>#Employees January 2016</u>
Classroom Teachers and Other Certified	120 & 130	416.00
Administrators	110	52.00
Non-Instructional	150, 160, & 170	<u>386.00</u>
		854.00

Sincerely,

Reginald C. James
Superintendent of Schools

Audrey Lewis
DISTRICT NO. 1
Havana, FL 32333
Midway, FL 32343

Steve Scott
DISTRICT NO. 2
Quincy, FL 32351
Havana, FL 32333

Isaac Simmons, Jr.
DISTRICT NO. 3
Chattahoochee, FL 323324
Greensboro, FL 32330

Charlie D. Frost
DISTRICT NO. 4
Gretna, FL 32332
Quincy, FL 32352

Roger P. Milton
DISTRICT NO. 5
Quincy, FL 32351

AGENDA ITEM 6A, INSTRUCTIONAL AND NON INSTRUCTIONAL 2015/2016

INSTRUCTIONAL

<u>Annual</u>	<u>Location</u>	<u>Position</u>	<u>Effective Date</u>
Alber, Sandra	GRES	Teacher	11/30/2015
Burris, Shaquondria	JASMS	Teacher	01/05/2016
Clark, Angie	SJES	Teacher	01/04/2016
Conyers, Andrika	EGHS	Teacher	01/05/2016
Davis, Alaina	HMS	Teacher	01/04/2016
Douglas, Teniqua	GRES	Teacher	01/04/2016
Reseau, Pascal	EGHS	Teacher	01/07/2016
Toussaint, Eric	WGHS	Teacher	12/11/2015
Williams, Sarah	JASMS	Teacher	01/05/2016

NON-INSTRUCTIONAL

<u>Name</u>	<u>Location</u>	<u>Position</u>	<u>Effective Date</u>
Holloman, Attaway	Transportation	Bus Driver	01/05/2016
Paz, Xochitl	GBES	Ed. Paraprofessional	01/19/2016

REQUESTS FOR LEAVE, RESIGNATION, TRANSFERS, RETIREMENTS, TERMINATIONS OF EMPLOYMENT:

LEAVE

<u>Name</u>	<u>Location/Position</u>	<u>Beginning Date</u>	<u>Ending Date</u>
Amin, Roshni	WGHS/Guidance Counselor	01/04/2016	03/28/2016

RESIGNATION

<u>Name</u>	<u>Location</u>	<u>Position</u>	<u>Effective Date</u>
Dantley, Dominique	Transportation	Bus Driver	01/08/2016
Holt, Wendy	EGHS	Teacher	12/04/2015
Milton, Dana	JASMS	Data Entry Operator	01/11/2016
Miles, Lorian	JASMS	Teacher	01/04/2016
Mims, Natalie	HMS	Teacher	12/01/2015
Ormsby, Rashid	GEMS	Teacher	01/11/2016
Pete, Sheldon	Transportation	Bus Driver	01/08/2016
Posey, Aaron	WGHS	Teacher	01/04/2016
Shepherd, James	Transportation	Vehicle Mechanic	11/22/2016

TRANSFERS

<u>Name</u>	<u>Location/Position</u>	<u>Location/Position</u>	<u>Effective Date</u>
	<u>Transferring From</u>	<u>Transferring To</u>	
McMillan-Gatlin, Patricia	GBES/Teacher	WGHS/Teacher	01/19/2016

D.R.O.P. RETIREMENTS

<u>Name</u>	<u>Location</u>	<u>Position</u>	<u>Effective Date</u>
Barksdale, Melissa	ESOL	Secretary	02/29/2016
Grant, Myra	CPA	Assistant Principal	01/29/2016

Substitutes

<u>Teacher</u>	<u>Bus Driver</u>
Interian, Liut	Pete, Sheldon
McNeil, Suquilla	Dantley, Dominique
Williams, Patricia	

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 7a

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEMS: Write off of stale school recognition funds and release of discretionary funds

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS: To approve the write off old stale school recognition fund balances and approve transfer of the stale amounts and discretionary funds to the applicable school listed.

FUND SOURCE: General Fund

AMOUNT: \$45,577.21

PREPARED BY: Kim Ferree

POSITION: Assistant Superintendent for Business Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMANS'S SIGNATURE: page(s) numbered _____

Be sure that the Comptroller has signed the budget page.

	stale school recognition amount to write off	discretionary	
	↓		
	Column 1	Column 2	Total
41 GWM	-	1,002.16	1,002.16
51 WGHS	-	945.12	945.12
71 EGHS	-	1,639.28	1,639.28
91 Havana Ma	727.48	1,244.68	1,972.16
101 GEMS	-	264.08	264.08
141 Greens	2,183.46	658.16	2,841.62
151 Chatt	4,047.24	333.56	4,380.80
171 Grenta	5,651.13	462.00	6,113.13
191 St John	9,866.31	414.08	10,280.39
201 St St	2,908.50	1,239.48	4,147.98
211 Shanks	9,786.33	953.04	10,739.37
231 CPA	-	438.72	438.72
9106 Central	772.40	40.00	812.40
	<u>35,942.85</u>	<u>9,634.36</u>	<u>45,577.21</u>

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 7b

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEMS: Resolution 15-07 – Board’s Intention on Use of General Funds

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS: To read and approve the Board’s intention that services, identified in the previously adopted budgets by Resolutions 15-02 and 15-03 as well as any subsequent budget amendments presented to the board for approval, are the only services that the district would provide in the absence of Federal funds.

FUND SOURCE: General Funds

AMOUNT: n/a

PREPARED BY: Kim Ferree

POSITION: Assistant Superintendent for Business Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT’S SIGNATURE: page(s) numbered

CHAIRMANS’S SIGNATURE: page(s) numbered

Be sure that the Comptroller has signed the budget page.

Resolution Number 15-07

A RESOLUTION OF THE GADSDEN COUNTY SCHOOL BOARD ADOPTING THE INTENTION OF SERVICES IDENTIFIED IN THE GENERAL FUND SUMMARY BUDGET AND APPLICABLE AMENDMENTS FOR FISCAL YEAR 2015-2016.

WHEREAS, the School Board of Gadsden County, Florida, did, pursuant to Chapters 200 and 1011, Florida Statutes, approve tentative and final millage rates and tentative and final (original) summary budget for the fiscal year July 1, 2015 to June 30, 2016, with Resolutions 15-02 and 15-03; and

WHEREAS, the Gadsden County School Board will approve budget amendments to the final (original) summary budget as the fiscal year progresses as allowed by Florida Administrative Code 6A-1.006.

NOW THEREFORE, BE IT RESOLVED:

That the Board's affirms their intention that the services identified in detail supporting the General Fund Summary Budget of the approved budgets for the fiscal year July 1, 2015 to June 30, 2016, and as applicably amended, of the Gadsden County School Board, are the only services that the district would provide in the absence of Federal funds.

Chairman

6A-1.006 Budget Amendments.

No expenditures shall be authorized or obligation incurred which is in excess of a budgetary appropriation. The school board shall adopt procedures whereby adjustments to the original budget are made as needed in order to comply with this rule.

(1) The school board shall approve amendments to the district school budget whenever the function and object amounts in the accounts prescribed by the State Board for the budget form are changed in the original budget approved by the school board.

(2) The school board may adopt procedures whereby amendments to the Special Revenue – Other Fund are considered approved by the school board at the time the board approves an entitlement grant, if such grant application includes a budget summary. The effect of such grant shall be reflected in the next monthly district financial report to the school board.

(3) No budget amendment shall be approved by the district school board after the due date for the annual financial report for that year.

Rulemaking Authority 1001.02(1), 1011.06 FS. Law Implemented 1010.01, 1011.06, 1011.60(5) FS. History—New 9-17-72, Amended 2-13-74, Repromulgated 12-5-74, Amended 2-21-77, 1-7-81, 5-24-84, Formerly 6A-1.06.

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 7c

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEMS: Internal Accounts Audit

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS: To approve the contract for the internal accounts audit with Ashmore & Ashmore for the 2015-16 fiscal year.

FUND SOURCE: General Fund

AMOUNT: \$27,500

PREPARED BY: Kim Ferree

POSITION: Assistant Superintendent for Business Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered

CHAIRMANS'S SIGNATURE: page(s) numbered

Be sure that the Comptroller has signed the budget page.

Ashmore & Ashmore, P.A.
Certified Public Accountants
109 South Main Street
Havana, Florida 32333
Voice (850) 539-5690
Fax (850) 539-5994

James R. Ashmore, CPA
Sharron L. Ashmore, CPA

December 17 2015

To Mr. Reginald James, Superintendent
The School Board of Gadsden County
35 Martin Luther King, Jr. Blvd
Quincy, Florida 32351

We are pleased to confirm our understanding of the services we are to provide for the audit of the School Board of Gadsden County's General Operating Fund – Internal Accounts for the year ended June 30, 2016.

We will audit the General Operating Fund – Internal Accounts statements of cash receipts, disbursements and balance of the schools listed on Attachment I. A separate audit report will be issued for each school. A summary report audit report for all schools will also be issued.

Audit Objectives

The objective of our audit is the expression of an opinion about whether the Schools' financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting. Our audit will be conducted in accordance with U.S. generally accepted auditing standards, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified, we will discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit or unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements

are free of material misstatement. Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by us. In addition, an audit is not designed to detect immaterial errors, fraud, or other illegal acts or illegal acts that do not have a direct effect on the financial statements. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of cash in banks with the financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from the schools' management about the financial statements and related matters.

The schools' management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. We will advise them about appropriate accounting principles and their application and will assist in the preparation of their financial statements, but the responsibility for the financial statements remains with management. This responsibility includes establishment and maintenance of adequate records and effective internal controls over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. The Schools' management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Management is responsible for identifying and ensuring that the schools comply with applicable laws and regulations.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the internal controls sufficient to plan the audit and to determine the nature, timing, and extent of auditing procedures to be performed. An audit is not designed to provide assurance on internal control or to identify reportable conditions, that is, significant deficiencies in the design or operation of internal control. However, during this audit, if we become aware of such reportable conditions, we will communicate them to you.

Other Services Included in this Engagement

We will also conduct an annual workshop for school bookkeepers to review audit requirements, recommend procedural changes, and answer questions regarding General Operating Fund – Internal Accounts.

We will provide telephone assistance to bookkeepers when issues surface requiring Auditor advice or assistance.

We shall visit each school once each year to provide on-site guidance to school personnel and ascertain progress toward improving compliance with Board policies, appropriate bookkeeping standards and practices, and the Florida Department of Education “Red Book” requirements.

Audit Administration, Fees, and Other

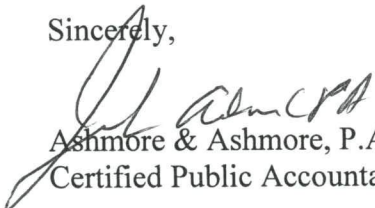
We expect to begin our audit on approximately July 15, 2016 and to issue our report no later than November 30, 2016. The audit completion date is dependent on our firm receiving all school records in final form for the year ended June 30, 2016 by August 1, 2016.

The fees for these services will not exceed \$ 27,500.00 for the audit. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

For your information, we have enclosed a copy of our most recent quality control review report. By signing below you are agreeing to allow fax transmittal communication with the School Board and the various schools to be audited listed on Attachment I, unless you notify us otherwise in writing.

We appreciate the opportunity to be of service to the School Board of Gadsden County, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,


Ashmore & Ashmore, P.A.,
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the School Board of Gadsden County.

Officer Signature: _____

Title: _____

Date: _____

Attachment I

School Board of Gadsden County
General Operating Fund – Internal Accounts
Fiscal Year Ended June 30, 2016

1. Carter-Parramore Academy
2. Chattahoochee Elementary School
3. East Gadsden High School
4. Gadsden Elementary Magnet School
5. Gadsden Technical Institute
6. George W. Munroe Elementary School
7. Greensboro Elementary School
8. Gretna Elementary School
9. Havana Magnet School
10. James A. Shanks Middle School
11. Stewart Street Elementary
12. St. John Elementary School
13. West Gadsden High School

Attachment II

School Board of Gadsden County
General Operating Fund – Internal Accounts
Fiscal Year Ended June 30, 2016

Audit Administration, Fees, and Other

Our audit fees are based on the following rates:

Partners (Certified Public Accountants) - \$150.00/hour

Staff Accountants (Non- Certified Public Accountants - \$65.00/hour



Fowler, Holley, Rambo & Stalvey, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS, CFP® • Carlton W. Holley, CPA • C. Wayne Rambo, CPA, CVA • Richard A. Stalvey, CPA

3208 Wildwood Plantation Drive • Post Office Box 1887 • Valdosta, GA 31603-1887 • (229) 244-1559 • (800) 360-3123 • Fax (229) 245-7369

System Review Report

January 7, 2013

To the Stockholders of
Ashmore & Ashmore, P.A.
and the Peer Review Committee of the Florida Institute of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of Ashmore & Ashmore, P.A. (the firm) in effect for the year ended September 30, 2012. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

We noted the following deficiencies during our review:

1. Deficiency – The firm's quality control policies and procedures require that applicable personnel obtain continuing professional education appropriate to professional standards updates relevant to its practice. The review noted that such training had not been obtained in the area of compilation engagements. As a result, our review noted deficiencies in the area of compilation engagements consisting of the failure to use the current compilation reporting language, the failure to obtain engagement letters for all compilation engagements performed and the failure to prepare the documentation required by professional standards concerning the firm's understanding with the client with regard to non-attest services. Based on our discussions with firm personnel and review of compilation reports, we were satisfied that the firm had obtained the appropriate understanding with the clients and the reports did not cause any financial statements to be misleading.

SERVING VALDOSTA AND SOUTH GEORGIA SINCE 1956

James E. Folsom, CPA • R. Arden DeLoach, Jr., CPA • B. Scott Taylor, CPA • Robert D. Elliott, CPA • Emily A. Browning, CPA, CFFA
Dustin C. Wilkes, CPA • Tiffany A. Craig, CPA • Betsy C. Smith, CPA • Joanna R. Jenkins, CPA

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To the Stockholders of
Ashmore & Ashmore, P.A.
and the Peer Review Committee of the Florida Institute of CPA's
January 7, 2013
Page Two

2. Recommendation – The firm should comply with its policies and procedures requiring appropriate continuing professional education be obtained by identifying specific continuing professional education for compilation engagements and requiring appropriate personnel to take such training. Further, the deficiencies noted above should be addressed in all subsequent compilation engagements performed.

In our opinion, except for the deficiency described above, the system of quality control for the accounting and auditing practice of Ashmore & Ashmore, P.A. in effect for the year ended September 30, 2012, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Ashmore & Ashmore, P.A. has received a peer review rating of *pass with deficiencies*.

~~Fowler, Holley, Rambo & Stalvey, P.C.~~
Fowler, Holley, Rambo & Stalvey, P.C.



Kim Ferree <ferreek@gcpsmail.com>

hourly rates for audit work

3 messages

Kim Ferree <ferreek@gcpsmail.com>

Mon, Jan 4, 2016 at 1:19 PM

To: JIMMY ASHMORE <ashmorecpa1@bellsouth.net>

Mr. Ashmore,

Please send us your hourly rate for consideration for the 2015-16 audit cycle. You can refer to last year's information that you submitted to us. Please let me know if you have any questions. Thank you.

-

Kimberly S. Ferree, CPA
Assistant Superintendent for Business and Finance
Phone (850) 627-9651 Ext. 1222

JIMMY ASHMORE <ashmorecpa1@bellsouth.net>

Tue, Jan 5, 2016 at 9:46 AM

Reply-To: JIMMY ASHMORE <ashmorecpa1@bellsouth.net>

To: Kim Ferree <ferreek@gcpsmail.com>

Hi Kim:

Per your request, our hourly rates are as follows:

Partners (Sharron and Jimmy Ashmore) - \$175.00/hour

Jr Staff Accountants - \$75.00/hour

If you need any additional information, please let me know.

Sincerely,

James R. Ashmore, CPA

Ashmore & Ashmore, PA
Certified Public Accountants
109 S. Main Street
Havana, Florida 32333
850-539-5690
850-539-5660
850-539-5994 fax

Department of Management Services

[Florida Department of Management Services](#) > [Business Operations](#) > [State Purchasing](#) > [Vendor Information](#) > [State Contracts and Agreements](#) > [State Term Contracts](#) > Financial and Performance Audits

<< [Return](#)

Financial and Performance Audits973-000-14-02



Effective Period 01/15/2014 through 01/14/2017

Contract Type State Term Contract

Contract Information

- [Pricing](#)
 - [Contractors](#)
- [MS Excel Contractor List with Email Contact Information](#)
[How to Use this Contract](#)
[Frequently Asked Questions](#)

Contract Documents

[Microsoft Word](#) ( 148.50 KB)
[PDF](#) ( 517.47 KB)
[Amendments and Memorandums](#)

Contract Administration

- [Frank Miller](#)
- (850) 488-8855
- frank.miller@dms.myflorida.com

Commodity Codes

991-010, UNSPSC-84111500

Description

This state term contract for financial and performance audits includes the following services:

- Financial Statement Audits
- Segments of Financial Statements
- Internal Controls
- Compliance with Laws and Regulations
- Economy and Efficiency Audits
- Program Results and Program Fraud Audits

When using this state term contract, customers are required to issue Requests for Quote (RFQs) to ALL awarded contractors before procuring services, regardless of the purchasing threshold in which the procurement falls.

Benefits

- A formal bid process is not required by the agency
- Contract prices are ceiling, or "not-to-exceed", hourly rates
- The request for quote (RFQ) process provides additional competition on price and service
- Project-based pricing allows customers to use a flexible pricing model
- Customers can negotiate lower hourly rates for their unique Statements of Work

Document reader download link

-  [MS Word Viewer](#)

Department of Management Services

[Florida Department of Management Services](#) > [Business Operations](#) > [State Purchasing](#) > [Vendor Information](#) > [State Contracts and Agreements](#) > [State Term Contracts](#) > [Financial and Performance Audits](#) > [Contractors](#)

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Financial and Performance Audits973-000-14-02

Contractors

Name	CBE Code	Florida Climate Friendly Preferred Products	Recycled Products	Utilizes Authorized Resellers	Coverage Area
Carr, Riggs & Ingram, LLC	A - Non-Minority	No	No	No	Statewide
Ernst &Young , LLP	A - Non-Minority	No	No	No	Statewide
Grant Thornton, LLP	A - Non-Minority	No	No	No	Statewide
KPMG, LLP	A - Non-Minority	No	No	No	Statewide
McGladrey, LLP	A - Non-Minority	No	No	No	Statewide
Thomas Howell Ferguson P.A.	A - Non-Minority	No	No	No	Statewide

Financial and Performance Audits - Pricing

Vendor Name	Principal	Senior Consultant	Consultant	Junior Consultant	Program & Administrative Support
Carr Riggs & Ingram, LLC	\$265.00	\$175.00	\$140.00	\$105.00	\$50.00
Ernst & Young LLP	\$390.00	\$265.00	\$190.00	\$140.00	\$75.00
Grant Thornton LLP	\$240.00	\$150.00	\$125.00	\$97.00	\$60.00
KPMG LLP	\$285.00	\$210.00	\$150.00	\$75.00	\$30.00
McGladrey LLP	\$260.00	\$180.00	\$140.00	\$105.00	\$50.00
Thomas Howell Ferguson P.A.	\$245.00	\$165.00	\$145.00	\$120.00	\$35.00

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 7d

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEMS: Internal Accounts Audit

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS: To review and approve the internal accounts audit report.

FUND SOURCE: n/a

AMOUNT: n/a

PREPARED BY: Kim Ferree

POSITION: Assistant Superintendent for Business Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMANS'S SIGNATURE: page(s) numbered _____
Be sure that the Comptroller has signed the budget page.

**GADSDEN COUNTY SCHOOL BOARD
GENERAL OPERATING FUND – INTERNAL
ACCOUNTS
SUMMARY OF MANAGEMENT LETTERS
JUNE 30, 2015**

Ashmore & Ashmore, P.A.
Certified Public Accountants

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MANAGEMENT LETTER

Gadsden County School Board
Quincy, Florida

In planning and performing our audit of the financial statements of Gadsden County Schools' General Operating Fund – Internal Accounts, as of and for the year ended June 30, 2015, we considered the Schools' internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the Schools' internal control.

However, during our audit, we became aware of certain matters that are opportunities for strengthening internal control and operating efficiency.

We will review the status of these comments during our next audit engagement. We will be pleased to discuss these comments in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations. Redbook requirements and proper bookkeeping procedures were discussed with the Principals/Director and Bookkeepers. Also, audit findings we considered immaterial were discussed with the Bookkeepers and Principals and are not included in this report. Our audit noted the following:

(All authoritative references are from Financial and Program Cost Accounting and Reporting for Florida Schools)

SUMMARY OF SCHOOL FINDINGS AND RESPONSES

FOR ALL SCHOOLS

The primary weakness in internal control is one for which no immediate practical solution is available. The size of the Schools' staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. Separation of incompatible duties provides increased assurance

and dictates that the Principals/Director remain involved in the financial affairs of the Schools to provide oversight and independent review functions. In addition, the staff should be cross-trained to the extent possible in key positions. This would help to ensure that daily functions are performed in the event of personnel change or illness. The Auditor also recommends the Principals/Director to review, sign and date the bank reconciliation and bank statement every month for the reasons stated above.

CARTER-PARRAMORE ACADEMY

Finding 2. All transactions for the year ended June 30, 2015 were recorded through the general account. Chapter 8, Section III, 2.5(b), states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The Auditor recommends that expenses for the awards, meals or incentives for staff and teachers be taken from accounts designated for staff and teachers.

Principal's response. We will re-arrange our summary of accounts to satisfy this finding.

Finding 3. For the entire year ended June 30, 2015, only 20 receipts were recorded through the internal funds. Audit tests of receipts indicated:

1. One Report of Monies Collected (RMC) listed students that paid for T-shirts but not the amount each student paid.
2. Pre-numbered receipts (receipt book) were not used for all receipts collected as required by Chapter 8, Section III, 1.4a.
3. Manatee general ledger and receipts print outs were altered after printing to change who money was received from, and the changes did not appear to be initialed by Principal.

Principal's response. All monies collected will be placed on the appropriate form with amount. We will work with the District Office to correct this finding.

Finding 4. For the entire year ended June 30, 2015, only forty one (41) checks were written. Audit tests of twenty-nine (29) checks indicated:

1. Ten (10) instances where the invoice date preceded the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the Principal or designee." Accordingly, we recommend that all purchases be authorized by a check requisition prior to the purchase being made.
2. One check amount did not equal the total invoice
3. One check paid a monthly statement that did not provide backup invoices for every purchase on the statement.
4. One (1) instance was noted where lawn care expenses for the School were paid from internal funds. Chapter 8 Section I, 7 states, in part, that "Funds collected

shall be expended to benefit those students in school unless those funds are being collected for a specific documented purpose...". Since lawn care is generally provided by the District's facilities department this does not appear to be an appropriate use of the internal funds.

Principal's response. During faculty meeting the Administrator will notify staff of District purchasing procedures. From this point forward there will be no exceptions to the payment policy. As for Finding 4 – this exception was a necessity because of the condition, safety and appearance of the campus.

Status of Prior Year Findings

Finding 2. All transactions for the year ended June 30, 2014 were recorded through the general account. Chapter 8, Section III, 2.5(b), states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The Auditor recommends that expenses for the awards, meals or incentives for staff and teachers be taken from accounts designated for staff and teachers.

Principal's response. I was not Administrator at that time, however we will try to correct the finding.

Status. This exception applies to the current audit period.

Finding 3. For the entire year ended June 30, 2014, only 19 receipts were recorded through the internal funds. School personnel indicated there were no fundraisers and that donations for field trips, etc. were paid directly to the transportation department by the School for travel costs. Audit tests of receipts indicated that one (1) Report of Monies Collected (RMC) did not equal the deposit made. Also, pre-numbered receipts (receipt book) were not used by the School as required by Chapter 8, Section III, 1.4a.

Principal's response. Refer to Finding 2 Response.

Status. Pre-numbered receipts were not used for all receipts collected during the current audit period.

Finding 4. For the entire year ended June 30, 2014, only twenty-five (25) checks were written. School personnel indicated that donations for field trips are paid directly to or by the facilities the students are visiting. Audit tests indicated nine (9) instances where the invoice date preceded the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the Principal or designee." Accordingly, we recommend that all purchases, including those made on credit, be authorized by a check requisition prior to the purchase being made. Also, no invoices (backup documentation) were found for two (2) checks and one (1) check

amount did not equal the total invoices and two (2) canceled checks had only one authorizing signature when two are required by Redbook. Also, it appears that \$152.25 in accounts payable was owed to vendors at June 30, 2014. This payable was not disclosed to the School Board as required by Section II, 7.

Principal's response. Refer to Finding 2 Response.

Status. Exceptions were again noted of invoice dates preceding the check requisition and also where the check amount did not agree with the invoice amount.

CHATTAHOOCHEE ELEMENTARY SCHOOL

Finding 2. In general, it appears that receipts were properly documented and recorded. However, audit tests indicated:

1. Eleven (11) instances where the Report of Monies Collected (RMC) contained only one signature. The Auditor recommends that all RMCs contain two signatures, one from the person submitting the funds and one from the bookkeeper receiving the funds;
2. A pre-numbered receipts book was not found for monies collected as required by Chapter 8, Section III, 1.4a;
3. Four (4) deposits were made after five working days. Chapter 8, Section III, 1.4c, requires that funds collected be deposited within five days after receipt.

Principal's response. We have discussed the appropriate procedures and will handle in the appropriate manner.

Finding 3. In general it appears that expenses were properly documented and recorded. However, audit tests indicated:

1. Ten (10) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."
2. One (1) check requisition had no authorizing signature but the canceled check cleared with the proper signatures.

Principal's response. We have discussed the appropriate procedure and will handle in the appropriate manner.

Finding 4. The general account is being used for t-shirts, fund raisers and school store. The Auditor recommends the School increase utilizing separate accounts when accounting for revenue and expenses such as school store, T-shirt sales and fundraisers.

Principal's response. We have established separate account for these accounts.

Finding 5. Audit tests indicated four (4) instances in which office and classroom supplies totaling \$2,249.05 were purchased. Subsequent to the audit period, two (2) instances were noted where classroom supplies totaling \$879.40 were purchased. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. These do not appear to be appropriate use of the internal funds.

Principal's response. The school was only allotted a small amount of funds this year and teachers needed supplies in their classrooms for the 2015-2016 school year. This is why funds were used to purchase items for teachers.

Status of Prior Year Findings

Finding 2. In general, it appears that receipts were properly documented and recorded. However, audit tests indicated (2) instances where the Report of Monies Collected (RMC) contained only one signature. The Auditor recommends that all RMCs contain two signatures, one from the person submitting the funds and one from the bookkeeper receiving the funds. A pre-numbered receipts book was not found for monies collected as required by Chapter 8, Section III, 1.4a. Also, two (2) deposits were made after five working days.

Principal's response. I have put some protocols in place, so that this does not happen again. We are making sure that all deposits are done in a timely manner.

Status. This Finding applies to the current audit period.

Finding 3. In general it appears that expenses were properly documented and recorded. However, audit tests indicated eleven (11) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee." The school bought gifts for teachers and staff. The Auditor recommends the School keep signed and dated lists of individuals receiving gifts, awards or incentives in the form of money or goods and that the School use a teacher or staff account for expenses designated for staff and teacher expenses. The Auditor recommends the School increase utilizing separate accounts when accounting for revenue and expenses such as school store, T-shirt sales and fundraisers.

Principal's response. The school has established a separate account for incentives for staff or faculty.

Status. This Finding applies to the current audit period.

Finding 4. One canceled check cleared the bank with no authorizing signature and the check requisition for that check had no authorizing signature. Two other check requisitions had no authorizing signatures but those canceled checks cleared with the proper signatures. Also, one check was written to an individual for a class trip but no backup documentation of what the money was spent on was found.

Principal's response. Protocols have been put in place so this won't happen again. We will double check all checks that are written.

Status. Improvement was noted in that audit test indicated only one check requisition that did not have an authorizing signature for the current audit period.

EAST GADSDEN HIGH SCHOOL

Finding 2. In general, it appears that monies received were properly receipted, documented and recorded. However, audit testing indicated the following:

- A. We noted in our prior year audit report for June 30, 2014 that the School did not use the pre-numbered receipts (receipt book) provided by the School Board, as required by Chapter 8, Section III, 1.4a. The School began using pre-numbered receipts for the year ended June 30, 2015 but audit testing indicated that a receipt (from the receipt book) is not written for all monies collected.
- B. One (1) deposit was made after five working days. Chapter 8, Section III, 1.4c, requires that funds collected be deposited within five days after receipt.
- C. Two reports of tickets sold were not properly completed.
- D. One report of monies collected did not foot properly.
- E. Three report of monies collected had a different number than Manatee records.

Principal's response. I started as principal for East Gadsden High on July 1, 2015. I became aware of this issue at the audit discussion on September 25, 2015. I understand that in the prior school year 2014 the school did not follow the correct receipts procedure required by Chapter 8, Section III, 1.4a, however, EGHS made some improvement in this area by year end of June 30, 2015. I will work with staff to ensure this process will continue throughout the 2015-2016 school year. Another area of concern is to ensure that all collected monies are deposited within five working days after receipt according to Chapter 8, Section III, and 1.4c. Items C, D and E of finding 2 noted that EGHS had two reports of tickets not being complete, one report of monies collected was not properly accounted for, and three records that showed a different amount of monies collected in the Manatee system. As the new principal of EGHS it is my job to work with staff to ensure the findings in #2 are corrected and minimized. My plan of action is to periodically review areas that were not met during the previous audit.

Finding 3. Audit tests of expenses indicated the following:

- A. Twelve (12) instances of invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2 states "Purchases from internal funds must be authorized in writing by the Principal or designee."
- B. Four (4) checks written were for past due invoices.
- C. Seven (7) instances where the check did not equal the invoices and no reconciliation was provided.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #3 are corrected and minimized. My plan of action to correct this process began on September 25, 2015 after the audit discussion. I will work with staff to ensure that Chapter 8, Section II is properly followed. I will also periodically review the records to ensure that EGHS minimize past due invoices and invoices without reconciliation.

Finding 4. At June 30, 2015 the School's general ledger indicated a negative \$12.84 balance in the cash account per the Manatee general ledger and the overall athletics accounts totaled to a negative \$4,493.83 (including boys' basketball account at negative \$9,330.57). Prior to an expenditure being approved, Chapter 8, Section I, 10 states that purchases from internal accounts shall not exceed the resources of the applicable student activity/project account, except for items acquired for resale or items authorized by district school board rule.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #4 are corrected and minimized. Effective immediately I instituted the following at a faculty meeting where it was discussed that purchases would not occur if funding was not available and all purchases must have my signature as the approval. This meeting was held on August 10, 2015.

Finding 5. Chapter 8, Section II, 7, requires that the year-end payables be disclosed to the School Board. Due to the fact that the Internal Fund Accounts are reported on the cash basis of accounting, the accounts payable information is important in allowing the School Board to ascertain the true financial status of the School. At June 30, 2015 an accounts payable list was not provided from the School. The Bookkeeper indicated all June 30, 2015 accounts payable were turned over to the District for payment because the School had no money to pay its internal fund bills. These payables could not be located during a search for unrecorded payables after the year end because they were not paid by the School. Prior to an expenditure being approved, Chapter 8, Section I, 10 states that purchases from internal accounts shall not exceed the resources of the applicable student activity/project account, except for items acquired for resale or items authorized by the school board rule.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #5 are corrected and minimized. I will monitor and ensure that the Bookkeeper perform and provide the required and necessary documents to the Board to ascertain the true financial status of EGHS at year end.

Finding 6. The general account appeared to be overused for the year ended June 30, 2015. For more informative reports and better accounting for staff appreciation, incentives, year books, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". Money the School received for incentives was put into the general fund. The Auditor recommends that expenses for the awards, gift cards, meals or incentives for staff and teachers be recorded in accounts designated for staff and teachers. Back up documentation for gift cards, food or other incentives should include a list with amount, signatures and dates of people receiving items in addition to store receipts. Also, an inventory of goods or gift cards and who received them should be maintained. Many athletic expenses were put into a general athletics account. The Auditor recommends that athletic expenses and revenue be broken out by sport, so that the income and expense per sport is readily available by looking at the general ledger.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #6 are corrected and minimized. Effective immediately this process began in July 2015. I met with the Bookkeeper to ensure that separate accounts will be maintained for individual athletic programs.

Finding 7. The School has not written off bad checks (checks written to the School that did not clear the bank) in the amount of \$1,653.85. This bad debt has been carried forward as an asset (NSF checks receivable) for years. The Auditor recommends that uncollectible NSF checks be written off, after proper approval is received from the District.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #7 are corrected and minimized. My plan of action is to present to the District the uncollectible checks and ask for proper approval to write them off after several years of being carried forward.

Finding 8. The Principal's Report for the month and year ended June 30, 2015 was not found in the School's bookkeeping file. The Principal's Report found in the June 30, 2015 file was a June 30, 2014 Principal's Report printed on July 23, 2015 and signed on July 27, 2015 by the Bookkeeper, Irene Elias and Lamar Kirkland (Melvin Roberts was the Principal for the year ended June 30, 2015).

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #8 are corrected and minimized. I will work with the bookkeeper to ensure that monthly and year end reports are provided in a timely manner and signed by the principal. The Monthly report for June 30, 2015 was provided to the auditor on September 25, 2015 at the audit meeting.

Finding 9. At June 30, 2015 Boys Basketball account was a negative \$9,330.57. The School received \$10,000.00 from the District on August 14, 2015 and deposited the money in an account called Athletic Fund From District.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #9 are corrected and minimized. The \$10,000.00 was not for the Boys Basketball program. As the principal I will ensure the Athletic Director and Basketball Coach work to bring the account to a positive balance.

Finding 10. Audit tests indicated fourteen (14) purchases totaling \$2,482.36 which were for school supplies, such as ink cartridges, cable and refurbishing the gym floor. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. These do not appear to be appropriate use of the internal funds.

Principal's response. As the new principal of EGHS it is my job to work with staff to ensure the findings in #10 are corrected and minimized. My plan of action is to periodically review areas that were not met during the previous audit by ensuring school supplies are purchased properly through district funds and not internal accounts.

Status of Prior Year Findings

Finding 2. In general, it appears that monies received were properly receipted, documented and recorded. We noted in our prior year audit report that the School did not use the pre-numbered receipts (receipt book) provided by the School Board, as required by Chapter 8, Section III, 1.4a. Improvement was noted in that the School indicated they are using pre-numbered receipts for the current school year. The School began using a receipts book in March of 2014.

Principal's response. No response required.

Status. Improvement was noted in that the School began utilizing the pre-numbered receipts, however, exception were noted. See Current Finding 2.A.

Finding 3. Audit tests of expenses indicated the following:

- A. Thirteen (13) instances of invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2 states "Purchases from internal funds must be authorized in writing by the Principal or designee."
- B. Three (3) instances of inadequate supporting documentation for a check.
- C. Five (5) checks written were for past due invoices.
- D. Two (2) instances where the check did not equal the invoices and no reconciliation was provided.

Principal's response. We concur with the findings and will ensure:

- A. That invoice dates do not precede check requisition dates and purchases from internal funds are authorized in writing by the principal or designee before purchases are made.
- B. All checks will be supported by documentation.
- C. The elimination of past due invoices by utilizing the process indicated in item A.
- D. All invoices will be reconciled with checks.

Status. This Finding applies to the current audit period.

Finding 4. Chapter 8, Section II, 7, requires that the year-end payables be disclosed to the School Board. Due to the fact that the Internal Fund Accounts are reported on the cash basis of accounting, the accounts payable information is important in allowing the School Board to ascertain the true financial status of the School. At June 30, 2014 the School had a cash balance in the amount of \$6,599.25 and accounts payable found during subsequent review in the amount of \$9,030.30, or \$2,431.05 more than the funds readily available to pay them. This School had a cash balance of \$7,561.30 at June 30, 2013 and accounts payable per the list provided by the School were \$13,630.52, or \$6,069.22 more than funds available to pay them. Prior to an expenditure being approved, Chapter 8, Section I, 10 states that purchases from internal accounts shall not exceed the resources of the applicable student activity/project account, except for items acquired for resale or items authorized by the school board rule.

Principal's response. We concur with the findings. Purchases from internal accounts will not exceed the resources of each student activity/project account, except for items acquired for resale or items authorized by the school board rule.

Status. This Finding applies to the current audit period.

Finding 5. The general account appeared to be overused for the year ended June 30, 2014. For more informative reports and better accounting for staff appreciation, incentives, year books, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good

business practice to separately monitor the financial status of the activity". Money the School received for incentives was put into the general fund. The Auditor recommends that expenses for the awards, gift cards, meals or incentives for staff and teachers be recorded in accounts designated for staff and teachers. Back up documentation for gift cards, food or other incentives should include a list with amount, signatures and dates of people receiving items in addition to store receipts. Also, an inventory of goods or gift cards and who received them should be maintained. Many athletic expenses were put into a general athletics account. The Auditor recommends that athletic expenses and revenue be broken out by sport, so that the income and expense per sport is readily available by looking at the general ledger.

Principal's response. We concur with the findings. The athletic expenses and revenue have been broken out by sport and reflected in the general ledger.

Status. This Finding applies to the current audit period.

GADSDEN ELEMENTARY MAGNET SCHOOL

Finding 2. Audit tests indicated that, in general, receipts appeared to be properly documented and recorded. However audit testing indicated:

- A. Improvement was noted, however, testing indicated Report of Monies Collected (RMC) were not always completed properly with the source of funds.
- B. No pre-numbered receipts (receipts book) were used for the year ended June 30, 2015. Chapter 8, Section III, 1.4a requires pre-number receipts be utilized for cash collections.

Principal's response. We agree with these findings and have amended procedures to require properly completing the RMC document. In addition the school-GEMS has assumed accountability for a pre-numbered receipts.

Finding 3. Audit tests indicated that, in general, expenditures appeared to be appropriate and properly recorded. However, testing indicated the following:

- A. Ten (10) instances where invoices were dated prior to the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2, states "Purchases from internal funds must be authorized in writing by the Principal or designee."
- B. Eight (8) instances where invoices or adequate backup documentation were not found for an expense, including lists of attendees for field trips and meals.
- C. Two (2) instances where meals for staff were taken from the general account and not a staff account. Chapter 8, Section 1.7 states, in part, that "Funds collected shall be expended to benefit those students unless those funds are collected for a specific purpose...". Accordingly, meals for the staff does not appear to be an allowable expenditure for the General Fund.

Principal's response. We agree with these findings. My assigned date to the school-GEMS was approximately in November, 2014 and I amended procedures to require proper actions of checks and balances from staff and office manager; and processes to take place in order for any and all financial expenditures to occur.

Status of Prior Year Comments

Finding 2. Audit tests indicated that, in general, receipts appeared to be properly documented and recorded. However, testing indicated Report of Monies Collected (RMC) were not always completed properly with RMC number, source of funds and signatures. Testing indicated (3) instances where the Report of Monies Collected was signed by only one person and (1) instance where money received was not deposited within 5 working days. Also, no pre-numbered receipts (receipts book) were provided for testing for the year ended June 30, 2014. Chapter 8, Section III, 1.4a requires pre-number receipts be utilized for cash collections.

Principal's response. I, LaRonda Lee was hired July 1, 2014. The records for this year 2014-2015 will have proper management and documentation.

Status. Audit tests indicated improvement and all receipts were deposited in a timely manner. However, exceptions were noted regarding the completion of the Reports of Monies Collected. Also, pre-numbered receipt books were not utilized during the current audit period.

Finding 3. Audit tests indicated that, in general, expenditures appeared to be appropriate and properly recorded. However, testing indicated the following:

- A. One (1) instance where invoices were dated prior to the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2, states "Purchases from internal funds must be authorized in writing by the Principal or designee."
- B. Eleven (11) instances where invoices or adequate backup documentation were not found for an expense.
- C. One canceled check cleared the bank with no authorizing signature and one check cleared with only one signature when two authorizing signatures are required by Redbook.

Principal's response. I, LaRonda Lee was hired July 1, 2014. The records for this year 2014-2015 will have proper management and documentation.

Status. These exceptions were noted for the current year, except that all checks contained two authorized signatures.

Finding 4. The general account in the general ledger appears to be overused. For more informative reports and better accounting for fundraisers, shirt sales, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. I, LaRonda Lee was hired July 1, 2014. The records for this year 2014-2015 will have proper management and documentation.

Status. Improvement was noted in that separate accounts were utilized where necessary.

Finding 5. On October 8, 2014, the day of subsequent review, Manatee records for the new school year were not available for review due to computer issues per the Bookkeeper.

Principal's response. I, LaRonda Lee was hired July 1, 2014. The records for this year 2014-2015 will have proper management and documentation.

Status. Our subsequent review of the Manatee records indicated that they were being maintained.

GADSDEN TECHNICAL INSTITUTE

Finding 2. Our audit indicated the following:

- A. Tuition received for different classes, such as LPN, Carpentry and other classes were recorded in a Manatee account titled Student Fees. The totals for each class were not available for reporting to the District when remitting the Trust Fund fees collected.
- B. According to the Manatee records, as of June 30, 2015, a total of \$110,696.80 in Trust Fund tuition and fees were due to the District (including \$22,899.49 carryover from the previous fiscal year). However, it appears only \$90,418.55 was remitted to the District as of June 30, 2015, leaving a balance due to the District in the amount of \$20,278.25. Our audit indicated that during the audit period the School expended directly from or transferred out of the Trust Funds that were due to the District a total of \$20,268.73 (included in the \$20,278.25 due to the District above). These expenditures and transfers appear not to be allowable. Chapter 8, Section III, 2.4(b) states, in part that "Trust funds shall be expended only for the purpose for which collected...". The purpose of these Trust Fund accounts were to account for the tuition and fees collected for the District. Although the expenditures may normally have been appropriate, the School would have needed the District's approval.
- C. In connection with Finding 2.B. above, our audit of the Trust Fund accounts subsequent to the year end indicated that for the period July 1, 2015 through

October 6, 2015, the School collected a total of \$12,435.71 in tuition and fees, and only remitted \$4,244.41 to the District. Expenditures, which appear to be unallowable, in the amount of \$7,729.22 were made from the Trust Funds.

Director's response. No responses were received from the Director. The Auditor requested but did not receive responses to our audit findings and the Director elected not to provide responses to each individual finding. However, the Director did make the following written statement at the end of the Management Representation Letter provided to the Auditor:

"My signature above is a testament to the handling and use of Adult Career and Technical Education funding and Internal Account operations on the Gadsden Technical Institute Campus. It is an acknowledgement that all funds handled on the GTI campus is consistent with the letter and intent of current State Statute and that proper accounting procedures are followed when handling all funds collected at the Gadsden Technical Institute site. It does not extend to the use and handling of the aforementioned funds once they leave the GTI campus."

Finding 3. Audit tests of expenditures indicated:

- A. Eighteen (18) instances were noted where the invoice date preceded the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."
- B. Check requisitions being used subsequent to the year end do not have a space for the approval date. In order to document the expenditure was authorized in a timely manner in accordance with Chapter 8, Section II, 2, the Auditor recommends date of approval be recorded on all check requisitions.

Director's response. See response to Finding 2.

Finding 4. Audit tests indicated that the School did not maintain a list of accounts payable at the end of the year. Our search for unrecorded payables subsequent to June 30, 2015, did not indicate any accounts payables to vendors, however, as stated in Finding 2.B. above, audit tests indicated the School appears to owe the District \$20,278.25 in Trust Fund fees. Chapter 8, Section II, 7, requires that the year-end payables be disclosed to the School Board. Due to the fact that the Internal Fund Accounts are reported on the cash basis of accounting, the accounts payable information is important in allowing the School Board to ascertain the true financial status of the School.

Director's response. See response to Finding 2.

Finding 5. Audit tests indicate that the School's cash balance has been steadily declining for the past three years as indicated below:

At June 30, 2013	\$153,216.69
At June 30, 2014	\$ 81,456.66
At June 30, 2015	\$ 61,000.11
At October 30, 2015	\$ 39,760.90

After taking into account the Trust Fund fees totaling \$28,469.55 due to the District at October 30, 2015, the School only had an unencumbered cash balance of \$11,291.35.

Director's response. See response to Finding 2.

Finding 6. Our audit indicated that two accounts at June 30, 2015, adult education and VPI, are recorded in the Manatee general ledger under the General Operating Fund set of accounts, however, they should be listed under the Trust Funds.

Director's response. See response to Finding 2.

Finding 7. We noted in our prior audit report that the School's accounts receivable records for the student fees were inadequate. Audit tests indicated the following exceptions regarding the accounts receivable records implemented during the audit period:

- A. The accounts receivable balances from the prior year were not carried over to the accounts receivable system.
- B. Out of 18 students listed on the June 30, 2015 accounts receivable records, 9 had negative or incorrect balances. The School's staff indicated that fees paid in excess of what was due in class fees was left on the account balances making them negative and that some students on the accounts receivable list had already paid by June 30, 2015. After adjusting the balance of accounts receivable records for the known errors, the system indicated accounts receivable of \$7,210.87. Our subsequent review of collections after the year end indicated accounts receivable in the amount of \$9,807.00 were collected, resulting in a difference of \$2,596.13.
- C. The accounts receivable records in QuickBooks were not broken out into the type of class to which they apply.
- D. There was no reconciliation of receipts per QuickBooks to the amounts posted in Manatee. Also, there was no review of accounts receivables on a periodic (monthly) basis.
- E. Audit tests of a list of students provided by the School, indicated that there were students on this list that were not on the accounts receivable list and students on the accounts receivable records that were not on the list of students provided by the School.

Director's response. See response to Finding 2.

Status of Prior Year Findings

Finding 2. Our audit tests indicated that, in general, receipts appeared to be properly documented and recorded on the cash basis of accounting.

Principal's response: No response required.

Finding 3. Audit tests of expenditures indicated two (2) instances where the check amount did not equal the supporting invoice, six (6) instances where the expense was paid after the due date and eighteen (18) instances of the invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee." Accordingly, we recommend that all purchases, including those made on account, be authorized by a check requisition prior to the purchase being made, and be supported by properly completed check requisitions and invoices or other documentation.

Principal's response. Due to the fact that my tenure at GTI did not start until July 1, 2014, I am unable to make comment with regard to the accounting findings for GTI's Internal Accounts for the 2013/14 school year. However, for the 2014/15 school year, the new office manager and I will work together to remediate findings identified in this section and received by this institution on November 17, 2014.

Status. This finding applies to the current audit period.

Finding 4. As we noted in our prior audit reports, the receipts recorded in the Excel Accounts Receivable Record were not integrated with or comparable to the receipts per the Manatee accounting system, nor were the individual accounts receivable records in the Excel system reconciled or totaled for the year. Accounts receivable are for student tuition receivable. Our current audit test indicated that the School had no auditable accounts receivable records or total accounts receivables for the year ended June 30, 2014. The financial statement of this School is based on the cash basis of accounting and does not take in to consideration accounts receivable records. The Auditor could not determine if accounts receivable records provided on a thumb drive were complete and/or correct for the year ended June 30, 2014, and there were no printed Accounts Receivable Records by student or in total available for audit examination. The School began using QuickBooks for accounts receivable in August 2014 but records were still not being reconciled to Manatee and to the bank and entries made to the system were done incorrectly up to the time of subsequent review on October 9, 2014. Subsequently, we were provided with QuickBooks Accounts Receivable documentation of individual records that indicated some corrections had been made to QuickBooks. In order to maintain proper internal control over receipts and accounts receivables, the Auditor recommends that the School develop an accounts receivable system that is comparable to the Manatee Accounting System and provides perpetual receivable balances by individual and in total. Monthly reconciliation documentation of accounts receivable records to

Manatee should be maintained. The Auditor also recommends that the person in charge of accounts receivable be provided accounts receivable and QuickBooks training commensurate with their job.

Principal's response. Refer to Prior Year Finding 3 Response.

Status. This finding applies to the current audit period.

Finding 5. Our prior Audit noted that the student fees collected during the year were not submitted to the School Board in a timely manner. Audit tests for the current year noted that it appears that \$22,719.49 in student fees were not submitted to the School Board in a timely manner. All Trust Funds due to the School Board should be paid by June 30 of each year.

Principal's response. Refer to Prior Year Finding 3 Response.

Status. This finding applies to the current audit period.

Finding 6. Audit tests indicated that the School did not maintain a list of accounts payable at the end of year. Through review subsequent to June 30, 2014, the Auditor compiled a list of payables at June 30, 2014, which totaled \$ 23,910.17 (including Student Fees), and may not include all payables at June 30, 2014. Chapter 8, Section II, 7, requires that the year-end payables be disclosed to the School Board. Due to the fact that the Internal Fund Accounts are reported on the cash basis of accounting, the accounts payable information is important in allowing the School Board to ascertain the true financial status of the School.

Principal's response. Refer to Prior Year Finding 3 Response.

Status. This finding applies to the current audit period.

GEORGE W. MUNROE ELEMENTARY SCHOOL

Finding 2. Audit tests indicated that, in general, Report of Monies Collected (RMC) appeared to be properly completed. However, audit testing indicated:

- A. One (1) instance where the deposit amount was different than the amount on the Report of Monies Collected (RMC).
- B. Three (3) instances where the RMCs were not signed by two people.
- C. Pre-numbered receipt book supplied by the District was not used to document receipts. Chapter 8, Section II.3 requires that District approved pre-numbered receipt forms be used as the means of recording cash received, and the basis for entries to the accounting records.

Principal's response. Although a new Principal has been placed at George Munroe, the staff is aware of the severity and seriousness of this audit finding. Steps will be implemented.

Finding 3. Audit tests indicated that, in general, expenses appeared to be adequately documented and properly recorded. However, our tests noted the following:

- A. Six (6) instances where backup documentation did not include a list of attendees and three (3) instances where the invoice(s) did not equal the check written.
- B. Nine (9) instances of the invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."

Principal's response. Efforts will be made to ensure all appropriate documentation accompanies checks and invoices.

Finding 4. Audit tests indicated two instances in which office supplies totaling \$1875.44 were purchased. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. These do not appear to be an appropriate use of the internal funds.

Principal's response. This finding will be addressed by the new site administrator. During the 2014-2015 school year, daily operating costs exceeded the appropriated amount supplied by the school district, however, measures will be implemented to avoid future occurrences.

Status of prior year Findings.

Finding 2. Audit tests indicated that, in general, Report of Monies Collected (RMC) were not always properly completed with account, source, totals, dates, signatures, footing and reconciliations to the bank deposits. Testing indicated instances where the deposit amount was different than the amount on the Report of Monies Collected (RMC) and one (1) Report of Monies Collected was not found. Audit testing for one month indicated that total RMCs for the month were less than deposits per the bank for the month. Audit testing indicated that RMCs were not signed by the person submitting the funds eleven times (11) and that a pre-numbered receipt book supplied by the County was not used to document receipts. The Auditor recommends that all deposits be supported by backup documentation in the form of properly completed Report of Monies Collected.

Principal's response. We will conduct interim audit checks to ensure RMC's accurately reflect that of our accounting documentation.

Status. Improvement was noted, however, the pre-numbered receipt book was not utilized by the School during the current audit period.

Finding 3. Audit tests indicated that, in general, expenses were adequately documented and properly recorded. However, our tests noted 12 instances where backup documentation was incomplete, unreconciled or not found for disbursements and 7

(seven) instances of the invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."

Principal's response. We will make a concerted effort to follow the guidelines set forth in the Redbook as well as recommendations made by the Auditor.

Status. This Finding applies to the current audit period.

Finding 4. For the year ended June 30, 2014, it was noted that records were missing signatures and documentation for receipts and disbursements. It appears that several checks to West End Grill for food for staff were written and charged against many different accounts including school store and classes and clubs. It appears that the Principal's Special Program account may have been overused, as it included fund raising and awards in with other revenue and expense. For more informative reports and better accounting for fund raisers, staff expenses, field trips, shirt sales, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The school also bought food and gift baskets for teachers and staff. The Auditor recommends the School keep signed and dated lists of individuals receiving food, gifts, awards or incentives in the form of money or goods and that the School use a teacher or staff account for expenses designated for staff and teacher expenses.

Principal's response. We will establish separate accounts to maintain a more efficient record keeping system.

Status. Improvement was noted in that the School utilized separate accounts, however, exceptions were noted in the current audit period of lists not being maintained of participants of events to support the check written.

GREENSBORO ELEMENTARY SCHOOL

Finding 2. In general, audit tests indicated that monies collected appeared to be properly recorded and deposited.

Principal's response. No response required.

Finding 3. In general, audit tests indicated that expenditures appeared to be appropriate and properly recorded. However, there were three (3) instances where the Check Requisition date was after the invoice date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the Principal or designee".

Principal's Response. We will monitor dates and make an effort to ensure all dates are in order.

Finding 4. The school bought meals for students, teachers and staff but did not keep a list of who received them. The Auditor recommends the School keep lists of individuals receiving meals. The Auditor recommends that the School use a teacher or staff account for staff and teacher expenses and that the School utilize separate accounts when accounting for revenue and expenses associated with snack sales and staff appreciation. Chapter 8, Section III, 2.5(b), states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's Response. In the future we will make sure we keep lists of participants.

Finding 5. Audit tests indicated eight (8) instances in which school supplies totaling \$3694.86 were purchased. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. These do not appear to be an appropriate use of the internal funds.

Principal's response. Purchases were made with internal funds because district funds were not available at the time.

Status of Prior Year Findings

Finding 2. In general, audit tests indicated that monies collected and expenditures appeared to be appropriate and properly recorded. However, there were (3) three instances where the Check Requisition date was after the invoice date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the Principal or designee".

Principal's response: We will make a conscious effort to ensure that check requests are completed and approved prior to checks being issued.

Status. Audit tests indicated this finding applies to the current audit period. See current year Finding 3.

Finding 3. The school bought gift cards and other gift items for teachers and staff but did not keep a list of who received them. The Auditor recommends the School keep lists of individuals receiving money or goods. The Auditor recommends that the School use a teacher or staff account for staff and teacher expenses and that the School utilize separate accounts when accounting for revenue and expenses associated with T-shirts sales and fundraisers. Chapter 8, Section III, 2.5(b), states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's Response. We will keep records of anyone who receives money or goods from the school staff account.

Status. This finding applies to the current audit period. See current year finding 4.

GRETNA ELEMENTARY SCHOOL

Finding 2. Audit tests indicated that in general, monies collected appeared to be properly documented and deposited. However audit testing indicated three (3) instances where the deposit date per bank was more than 5 days after the date of receipt, as required by Chapter 8, Section III, 1.4c.

Principal's response. I will ask my Office Manager to deposit all monies collected in accordance to Chapter 8, Section III, 1.4c.

Finding 3. In general, audit tests indicated that expenditures appeared to be appropriate and adequately documented. However, audit testing indicated:

- A. Nine (9) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain written prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."
- B. Two (2) instances where no invoice was found for an expense.

Principal's response. We will continue to be as accurate with our expenditures and apply corrective measures for Section A and Section B.

Status of Prior Year Findings

Finding 3. In general, audit tests indicated that expenditures appeared to be appropriate and adequately documented. However, audit testing indicated 10 instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain written prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee." The Auditor recommends that when gift cards or other items are purchased for incentives or awards that the signature and date of the people receiving those items be obtained and kept as supporting documentation. The Auditor recommends that gift cards or incentive expenses for teachers or staff only be taken from an account designated for teachers and staff, as required by Redbook.

Principal's response. The School will make sure to follow correct procedures in the future regarding this matter.

Status. This Finding applies to the current audit period.

Finding 4. As was noted in our prior audit report, the general account appeared to be overused and no trust activity was recorded for the year ended June 30, 2014. For more

informative reports and better accounting for field trips, fundraisers, shirt sales, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. The Bookkeeper is in the process of breaking down the general account into the individual accounts.

Status. Improvement was noted in the School established various general ledger accounts to account for different activities.

HAVANA ELEMENTARY SCHOOL

Finding 2. Audit tests indicated that book fair, fundraiser and other expenses are accounted for in the general account. Chapter 8, Section III, 2.5(b), states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The Auditor recommends that expenses be taken from accounts designated for the expense.

Finding 3. In general, audit tests indicated that expenditures appeared to be appropriate and adequately documented. Audit testing indicated:

- A. Two (2) instances where no invoice was found to support the expense.
- B. Eighteen (18) instances where the invoice date preceded the check requisition date. One of the purposes of the check requisition is to obtain prior written approval for a purchase. Chapter 8, Section II, 2 states "Purchases from internal funds must be authorized in writing by the Principal or designee."
- C. Four (4) instances when payments were made past due and two instances where the check did not equal the invoice totals.

Finding 4. In general, audit tests indicated receipts appeared to be appropriate and properly documented. However, audit testing indicated:

- A. One instance where deposit documentation did not foot properly.
- B. One instance where there was no receipt for a refund to a parent.

HAVANA MIDDLE SCHOOL

Finding 2. In general, audit tests indicated receipts appeared to be adequately documented and properly recorded. The general and athletic accounts appeared to be overused for the year ended June 30, 2015. For more informative reports and better accounting for fundraisers, after school concession, staff appreciation, shirt sales, etc., the

Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. HMS has divided accounts as deemed appropriate for the 2015-2016 school year.

Finding 3. In general, audit tests indicated expenditures appeared to be reasonable and adequately documented. However, our tests noted:

- A. (16) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the Principal or designee."
- B. Two (2) checks cleared the bank with only one authorizing signature.
- C. No invoice was found for five (5) expenses and no list of attendees four (4) times.

Principal's response. HMS will do a better job of ensuring all expenses/expenditures are documented properly.

Finding 4. Audit tests indicated sixteen (16) purchases totaling \$4119.79 which were for school supplies and equipment. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. These do not appear to be appropriate use of the internal funds.

Principal's response. Due to funding issues, expenses were paid from internal funds to ensure teachers had adequate supplies for instruction and teaching.

Status of Prior Year Findings

Finding 2. In general, audit tests indicated receipts appeared to be adequately documented and properly recorded. Although improvement was noted, the general account appeared to be overused for the year ended June 30, 2014. For more informative reports and better accounting for staff appreciation, shirt sales, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. The School will adhere to guidelines per Redbook.

Status. This Finding applies to the current audit period.

Finding 3. In general, audit tests indicated expenditures appeared to be reasonable and adequately documented. However, our tests noted (9) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the Principal or designee."

Principal's response. The School will adhere to guidelines per Redbook.

Status. This Finding applies to the current audit period.

JAMES A SHANKS MIDDLE SCHOOL

Finding 2. In general, audit tests indicated that receipts were properly documented and recorded. However, audit testing indicated:

- A. One (1) deposit was made after five working days. Chapter 8, Section III, 1.4c, requires that funds collected be deposited within five days after receipt.
- B. The School does not use pre-numbered receipt forms provided by the District as required by Chapter 8, Section II-3.

Principal's response. Bookkeeper has been asked to use appropriate forms at all times. However, due to illness 1 deposit was a little late.

Finding 3. Audit tests indicated:

- A. Eight (8) instances of the invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior written approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."
- B. One (1) instance where late payment was made on an expense.
- C. Two (2) canceled checks cleared the bank with only one authorizing signature when two are required.

Principal's response. Bookkeeper was out most of the year due to illness, which resulted in some documentation being delayed.

Finding 4. Although improvement was noted, it appears that the athletics, band and general accounts were over used and included fund raisers, concessions, T-shirts and other forms of revenue and expense. For more informative reports and better accounting for concessions, field trips, shirt sales, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response.

We will make the recommended adjustment for the current school year.

Finding 5. During subsequent review it was noted that the School has not been recording transactions through Manatee since July 1, 2015. This means bank reconciliations, general ledgers and review of financial records are not being completed on a timely basis. Also, documentation since July 1, 2015, such as check requisitions, was not being filed in numeric and chronological order in the accounting files.

Principal's response. Due to illness and subsequent demise of the bookkeeper, a few recordings were delayed.

Status of Prior Year Findings

Finding 2. In general, audit tests indicated that receipts were properly documented and recorded. However, audit tests indicated one (1) instance where a deposit was not made in a timely manner. Also, the School does not use pre-numbered receipt forms provided by the District as required by Chapter 8, Section II-3.

Principal's response. I will request appropriate forms and require office manager to utilize them as we move forward.

Status. This Finding applies to the current audit period.

Finding 3. Audit tests indicated thirteen (13) instances of the invoice date preceding the check requisition date, two (2) instances where invoices for expenses were not found and two (2) canceled checks cleared the bank with only one authorizing signature when two are required. One of the purposes of the check requisition is to obtain prior written approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."

Principal's response. Due to illness, office manager was out and we were understaffed. Efforts were made to train another staff member to fill in as needed.

Status. This Finding applies to the current audit period.

Finding 4. Although improvement was noted, it appears that the general account was over used and included student planners, concessions and other forms of revenue and expense. For more informative reports and better accounting for field trips, shirt sales, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The Auditor recommends that expenses for the awards, gift cards, meals or incentives for staff and teachers be deposited and expensed from accounts designated for staff and teachers. Back up documentation for gift cards, food or other incentives should include a list with amount, signatures and dates of people receiving items in addition to store receipts. Also, an inventory of goods or gift cards and who received them should be maintained.

Principal's response. Documentation of persons receiving gift cards were maintained; however, we will follow stated recommendations as we move forward.

Status. This Finding applies to the current audit period.

Finding 5. It appears the School may have had accounts payable for the year ended June 30, 2014 in the amount of \$1550.00, which included approximately \$900.00 to Piggly Wiggly and \$650.00 to the Challenger Learning Center. The payables were not disclosed to the School Board as required by Section II, 7.

Principal's Response. Office manager was out due to illness. All accounts were paid upon her return.

Status. The School indicated that they did not have any accounts payable at June 30, 2015.

ST. JOHN ELEMENTARY SCHOOL

Finding 2. Audit testing of revenues noted the following exceptions:

- A. Eight (8) instances where the Report of Monies Collected (RMC) had only one signature where two signatures are required.
- B. Five (5) instances where the report of money collected did not foot properly.
- C. There were several instances where RMCs were not completed properly with a receipt number, account, and date submitted.
- D. Two (2) instances where a receipt was not deposited within 5 work days, as required by Chapter 8, Section III, 1.4c.
- E. Receipts per the receipts book were not readily traceable to Manatee and some receipts in the book were left blank. Receipts should be recorded in chronological order and be cross referenced to the Manatee records.

Principal's response. Monies Collected Forms will not be accepted if they are not signed by person collecting the funds. Monies will be deposited in a timely manner. Receipts will be maintained properly and in an orderly fashion.

Finding 3. The audit tests of expenditures indicated the following exceptions:

- A. No supporting invoices were found for six (6) expenditures and one (1) instance where the check amount was different than the invoice. Proper internal controls over expenditures require them to be evidenced by vendor invoices or other supporting documentation detailing the items purchased and who received them;
- B. Seven (7) invoices were dated prior to the Check Requisitions. Chapter 8, Section II, 2. requires purchases from internal funds be authorized in writing prior to the purchase being made;
- C. Two (2) instances where the check requisition had no approval signature and one instance where a cleared check had only one approval signature;
- D. Two (2) instances where a check requisition was not found

Principal's response. If invoices are not received a section has been added to the check requisition form to show how much was received and what the funds were used for.

Finding 4. The special program and general accounts appeared to be overused for the year ended June 30, 2015. For more informative reports and better accounting for fundraisers, incentives, field trips, shirt sales, year books, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The Auditor recommends that expenses for the awards, gift cards, meals or incentives for staff and teachers be deposited and expensed from accounts designated for staff and teachers. Back up documentation for gift cards, food or other incentives should include a list with amount, signatures and dates of people receiving items in addition to store receipts.

Principal's response. Accounts are being broken down so that accounts will not be over used.

Status of prior year findings.

Finding 2. Audit testing of revenues noted the following exceptions:

- A. Eleven (11) instances where the Report of Monies Collected (RMC) had only one signature where two signatures are required;
- B. Two (2) instances where the report of money collected were not found;
- C. Two (2) instances when the bank deposit did not equal the RMC;
- D. There were numerous instances where RMCs were not completed properly with a receipt number, account, and date submitted.
- E. No pre-numbered receipts (receipt book) were kept for the year ended June 30, 2014 as required by Chapter 8, Section III, 1.4a.

Principal's response. Signature will be required before turning in RMC form from faculty and staff. Also, a numbered receipt book has been purchased to keep record of monies collected.

Status. Exceptions continued to be noted for the current audit period.

Finding 3. The audit tests of expenditures indicated the following exceptions:

- A. No supporting invoices were found for ten (10) expenditures and one (1) instance where the check amount was different than the invoice. Proper internal controls over expenditures require them to be evidenced by vendor invoices or other supporting documentation detailing the items purchased and who received them;
- B. Eight (8) invoices were dated prior to the Check Requisitions. Chapter 8, Section II, 2. requires purchases from internal funds be authorized in writing prior to the purchase being made;
- C. Two (2) instances were noted where a check was written for a past due invoice;

- D. One (1) instance was noted where a check in the amount of \$1,617.54 was written to a collection agency for lobby furniture purchased. Section II, 3.5 states that Internal Funds shall not be made for equipment for curricular or classroom use which district school board funds are available, except if the funds were specifically collected for that purpose. We were not provided with any evidence that funds were specifically collected to purchase the furniture.

Principal's response. Our Bookkeeper has been instructed to make a concerted effort to collect and file invoices and receipts from all vendors.

Status. Exceptions continued to be noted for the current audit period.

Finding 4. The special program account appeared to be overused for the year ended June 30, 2014. For more informative reports and better accounting for fundraisers, incentives, field trips, shirt sales, year books, etc., the Auditor recommends breaking revenue and expenses out into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity". The Auditor recommends that expenses for the awards, gift cards, meals or incentives for staff and teachers be deposited and expensed from accounts designated for staff and teachers. Back up documentation for gift cards, food or other incentives should include a list with amount, signatures and dates of people receiving items in addition to store receipts.

Principal's response. Our Bookkeeper will add more accounts to the Manatee system in an attempt to itemize revenue thus alleviating over usage of accounts.

Status. This exception continued to be noted for the current audit period.

Finding 5. The Principal's Report for the year ended June 30, 2014 appeared to include errors created by adjusting entries made to correct a deposit recording error and the entries caused revenue and expense per Manatee to be overstated by \$19,992.00 for the year ended June 30, 2014. Six dual entry adjusting entries in the amount of \$9,996.00 were made in what appears to be an effort to correct the deposit error. The Auditor recommends that during monthly review of the Principal's Report that the total receipts and disbursements per Manatee and per the bank are compared and differences investigated and corrected. These errors were corrected on the audited financial statements.

Principal's response. This was an isolated error, thus we will work to avoid repeating this type of mistake in the future.

Status. This Finding does not apply to the current audit.

STEWART STREET ELEMENTARY

Finding 2. In general, monies collected appeared to be properly recorded and documented. However our audit noted the following:

- A. Eleven (11) instances were noted where the money collected was not deposited within five (5) working days as required by Chapter 8, Section III, 1.4c.
- B. Pre-numbered receipt forms (receipt book) were not used by the School to record receipts as required by Chapter 8, Section II.3.

Principal's response. Principal was aware of this matter. However, the problem/matter is under control.

Finding 3. In general, expenses appeared to be properly recorded and documented. Audit expense tests indicated:

- A. Thirteen (13) instances of the invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."
- B. One (1) disbursement in the amount of \$1,340 was to pay for a bus for a 4th grade end of year trip. However, there was no list of students or teachers attending the trip attached to the documentation. The Auditor recommends attaching trip rosters for trips. Also, when internal funds are used to provide meals, gifts or incentives, a list of the recipients should be attached, including the recipients signature and amount received.

Principal's response. Situation is under control. All field trip forms will be stapled to the invoices along with students/teachers/chaperones.

Finding 4. Although improvement was noted, it appears that the general account was over used and included teacher incentives, T-shirt sales, fundraisers and other forms of revenue and expense. For more informative reports and better accounting for incentives, shirt sales, etc., the Auditor recommends breaking revenue and expenses out further into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. Finance reports are broken down by each grade and individual account, so that better records are kept on file.

Finding 5. Audit tests indicated one instance in which office supplies, including a laser printer, totaling \$1,348.06 were purchased. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. This does not appear to be an appropriate use of the internal funds.

Principal's response. Printers are purchased by schools because classroom teachers are in need of them. They are not purchased by the District along with classroom supplies.

Status of Prior Year Findings

Finding 2. In general, monies collected appeared to be properly recorded and documented. However, two (2) instances were noted where the money collected was not deposited within five (5) working days as required by Chapter 7, Section III, 1.4c. Also, the pre-numbered receipt forms (receipt book) provided by the District to the School office as required by Chapter 8, Section II-3 were not provided to the Auditor for testing.

Principal's response. Principal was made aware and will work with the office manager to ensure all deposits are made in a timely manner and the receipt books are kept securely.

Status. These exceptions also apply to the current year. See current year Finding 2.

Finding 3. In general, expenses appeared to be properly recorded and documented. Audit expense tests indicated three (3) instances of the invoice date preceding the check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."

Principal's response. Principal will work with the Office Manager to ensure all check requisitions are approved and signed prior to any purchases.

Status. These exceptions also apply to the current year. See current year Finding 3.

Finding 4. Although improvement was noted, it appears that the general account was over used and included teacher incentives, T-shirt sales, fundraisers and other forms of revenue and expense. For more informative reports and better accounting for incentives, shirt sales, etc., the Auditors recommend breaking revenue and expenses out further into individual accounts. Chapter 8, Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. The Office Manager has created individual accounts to prevent over use of the general accounts. Some of the accounts are teacher incentives, student incentives, cheerleaders, media, grade groups, Relay for Life and etc.

Status. Although improvement was noted, this exception also applies to the current year. See current year Finding 4.

WEST GADSDEN HIGH SCHOOL

Finding 2. Audit testing indicated that, in general, receipts appeared to be properly documented and recorded.

Principal's response. No Response required.

Finding 3. Audit tests of disbursements indicated:

- A. Six (6) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee."
- B. Four (4) instances of late payments on invoices.
- C. Two (2) instances of missing back up documentation for an expense.

Principal's response. I was not Principal until July 1, 2015.

Finding 4. Audit tests indicated five (5) purchases totaling \$2688.69 which were for school supplies, such as ink cartridges, furniture and teacher supplies. Chapter 8 Section III, 3.5.1 states, in part, that "Equipment, supplies, forms, and postage for curricular or classroom use for which district school board funds are available." are deemed inappropriate and shall not be made from internal funds. These do not appear to be appropriate use of the internal funds.

Principal's response. I was not Principal until July 1, 2015.

Status of Prior Year Findings.

Finding 2. Audit testing indicated that, in general, receipts appeared to be properly documented and recorded. However, game ticket sales reconciliation forms were not completed for deposits while the bookkeeper was out on sick leave. Also, the Report of Monies Collected form for a deposit in the amount of \$2775.00 had only one (1) signature and was not supported by a ticket reconciliation. Section III, 1.4(f) states, in part "For all cases in which tickets are used, ticket reports and unsold tickets must be available for audit."

Principal's response. This was an over sight. This is not a practice of how we handle funds. We will adhere to Section III, 1.4(f).

Status. Improvement in that this exception does not apply to the current audit period.

Finding 3. Audit tests indicated eleven (11) instances of the invoice date preceding check requisition date. One of the purposes of the check requisition is to obtain prior approval for a purchase. Chapter 8, Section II, 2. states "Purchases from internal funds must be authorized in writing by the principal or designee." Also, the School had an account payable for yearbook expenses in the amount of \$2,250.25 at June 30, 2014 that was not paid until September of 2014. This payable was not disclosed to the School Board as required by Section II, 7.


Principal's response. In order to obtain fundraising items we use internal funds purchase orders. Therefore invoices are sent to the Bookkeeper who will request a check requisition from the Sponsors. Due to the transitioning of Principals, no checks were written prior to new Principal. We will adhere to section II,7.

Status. Improvement was noted, however, instances of invoice dates preceding check requisition dates were again noted in current year audit test.

Finding 4. During the year ended June 30, 2014, several checks were written for incentives in the form of gift cards and electronics such as iPads, cameras and kindle fires. These items were given out to students and staff for awards and incentives. No inventory was kept of these items and the files related to them appear to have been moved or disposed while the bookkeeper was out on sick leave per the bookkeeper. The Auditor recommends the School keep signed and dated lists of individuals receiving gifts, awards or incentives in the form of money or goods and that the School use a teacher or staff account for expenses designated for staff and teacher expenses. The Auditor recommends an inventory of goods purchased and given out be maintained. The Auditor also recommends the School increase the use of separate accounts for revenue and expenses such as school store, awards, incentives and fundraisers. Section III, 2.5(b) states "Separate accounts shall be maintained for activities such as the school store and other activities when it is good business practice to separately monitor the financial status of the activity".

Principal's response. This day forward we will adhere to Section III, 2.5(b).

Status. Improvement was noted in that, in general, expenditures were adequately documented and, also, the separate accounts were established in the Manatee general ledger where necessary.


Ashmore & Ashmore, P.A.
Certified Public Accountants
December 1, 2015

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 8a

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEM: Federal Programs Purchase Orders

DIVISION: Federal

 This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:

<u>Vendor</u>	<u>PO#</u>	<u>Fund</u>	<u>Amount</u>
Curriculum Associates	188701	420	\$ 2,402.95
Edgenuity	188702	420	\$ 40,000.00

FUND SOURCE: Federal

AMOUNT: \$ 42,402.95

PREPARED BY: Rose Raynak

POSITION: Director of Federal Programs

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

THE SCHOOL BOARD OF GADSDEN COUNTY

DATE

PURCHASE ORDER NO.

01/06/16

35 MARTIN LUTHER KING, JR., BLVD. QUINCY, FLORIDA 32351
 PHONE (850) 627-9651 FAX (850) 627-2760
www.gcps.k12.fl.us

188701

FL SALES TAX EXEMPTION # 85-8012621915C-2

FEDERAL ID # 59-6000615

VENDOR VC20600000	SHIP TO THIS ADDRESS
CURRICULUM ASSOCIATES 153 RANGEWAY ROAD P O BOX 2001 NORTH BILLERICA MA 01862	FED PRGMS-SCHOOL BOARD GADSDEN 35 MARTIN LUTHER KING JR BLVD QUINCY FL 32351

PRINCIPAL / SUPERVISOR	BUDGET DIRECTOR	SUPERINTENDENT
------------------------	-----------------	----------------

QUANTITY	PRODUCT NO.	DESCRIPTION	UNIT PRICE	TOTAL
----------	-------------	-------------	------------	-------

d April: _____ ATTN: ROSE RAYNAK/DM

1	SM.CHKD	***VENDOR NOT SUBRECIPIENT***	2184.50	2184.50
1	WHAT:	EDUCATIONAL MATERIALS FOR CES	218.45	218.45
		SHIPPING		

PAY TERMS: NET 30

TOTAL 2,402.95

All correspondence/shipments must reflect the PO number. For prompt payment mail invoice to Accounts Payable address above.

[] If box checked and you accept this PO, goods/services & invoice must be received by the District no later than June 15 of the CURRENT YEAR. NO FINANCIAL OBLIGATION continues after June 30 of the CURRENT YEAR if the box is checked. This PO is void after one year.

Notice to Vendor/Contractor: By acceptance of the contract/order in excess of \$10,000 and involving Federal Funds, the Vendor/Contractor agrees to comply with Title 34 Section 80.36 Code of Federal Regulations. Termination for cause and for convenience by the grantee or sub-grantee including the manner by which it will be affected and the basis for settlement will be decided by the School Board of Gadsden County. In addition, the Vendor/Contractor agrees to comply with Florida Statute 257.36 regarding retention of records for 5 years.

DISTRIBUTION TO BE COMPLETED BY ORIGINATOR						TOTAL	FINANCE DEPT USE EXPENDITURE
FUND	FUNCTION	OBJECT	CENTER	PROJECT	PROGRAM	2,402.95 AMOUNT	
420	5100	510	0151	4221260	100	2402.95	

THE SCHOOL BOARD OF GADSDEN COUNTY

DATE

01/06/16

PURCHASE ORDER NO.

188702

35 MARTIN LUTHER KING, JR., BLVD. QUINCY, FLORIDA 32351
 PHONE (850) 627-9651 FAX (850) 627-2760
www.gcps.k12.fl.us

FL SALES TAX EXEMPTION # 85-8012621915C-2

FEDERAL ID # 59-6000615

VENDOR VE01610000 EDGENUITY, INC. DEPT LA 24561 PASADENA CA 911854561	SHIP TO THIS ADDRESS FED PRGMS-SCHOOL BOARD GADSDEN 35 MARTIN LUTHER KING JR BLVD QUINCY FL 32351
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PRINCIPAL / SUPERVISOR	BUDGET DIRECTOR	SUPERINTENDENT
------------------------	-----------------	----------------

QUANTITY	PRODUCT NO.	DESCRIPTION	UNIT PRICE	TOTAL
----------	-------------	-------------	------------	-------

32 April: _____ ATTN: ROSE RAYNAK/DM

1	SM.CHKD WHAT: SITES:	***VENDOR NOT SUBRECIPIENT*** GRAD TRACK LICENSES EAST GADSDEN HIGH WEST GADSDEN HIGH CARTER-PARRAMORE ACADEMY	40000.00	40000.00
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PAY TERMS: NET 30

TOTAL 40,000.00

All correspondence/shipments must reflect the PO number. For prompt payment mail invoice to Accounts Payable address above.
 If box checked and you accept this PO, goods/services & invoice must be received by the District no later than June 15 of the CURRENT YEAR. NO FINANCIAL OBLIGATION continues after June 30 of the CURRENT YEAR if the box is checked. This PO is void after one year.

Notice to Vendor/Contractor: By acceptance of the contract/order in excess of \$10,000 and involving Federal Funds, the Vendor/Contractor agrees to comply with Title 34 Section 80.36 Code of Federal Regulations. Termination for cause and for convenience by the grantee or sub-grantee including the manner by which it will be affected and the basis for settlement will be decided by the School Board of Gadsden County. In addition, the Vendor/Contractor agrees to comply with Florida Statute 257.36 regarding retention of records for 5 years.

DISTRIBUTION TO BE COMPLETED BY ORIGINATOR						TOTAL	FINANCE DEPT USE EXPENDITURE
FUND	FUNCTION	OBJECT	CENTER	PROJECT	PROGRAM	40,000.00 AMOUNT	
420	5100	360	0071	4221266	100	20000.00	
420	5100	360	0051	4221266	100	10000.00	
420	5100	360	0231	4221266	100	10000.00	

SUMMARY SHEET



RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 8b

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEM: PSTB Consulting, LLC, Dr. James W. Brown, Jr., Owner

DIVISION:

 This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:

This serves as an amendment to the Renewal Contractual Agreement currently in force between the School Board of Gadsden County and PSTB Consulting. Contractor will provide summative evaluations for the Title II Teacher and Principal Training Fund and the Title X, Part C Homeless Children and Youth Project for the 2014-2015 school year.

FUND SOURCE: Title II & Title X

AMOUNT: \$10,000.00

PREPARED BY: Rose Raynak



POSITION: Director of Federal Programs



INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

This form is to be duplicated on light blue paper.

REVIEWED BY: _____

THE SCHOOL BOARD OF GADSDEN COUNTY

DATE

01/06/16

PURCHASE ORDER NO.

188703

35 MARTIN LUTHER KING, JR., BLVD. QUINCY, FLORIDA 32351

PHONE (850) 627-9651

FAX (850) 627-2760

www.gcps.k12.fl.us

FL SALES TAX EXEMPTION # 85-8012621915C-2

FEDERAL ID # 59-6000615

VENDOR

VP15280000

SHIP TO THIS ADDRESS

PSTB CONSULTING, LLC.
3001 BYINGTON CIRCLE
TALLAHASSEE FL 32303

FED PRGMS-SCHOOL BOARD GADSDEN
35 MARTIN LUTHER KING JR BLVD
QUINCY FL 32351

PRINCIPAL / SUPERVISOR

BUDGET DIRECTOR

SUPERINTENDENT

Table with 5 columns: QUANTITY, PRODUCT NO., DESCRIPTION, UNIT PRICE, TOTAL

Handwritten note: Attn: ROSE RAYNAK/DM

Table row for item 1: SM.CHKD, WHAT: SERVICES FOR PROJECT EVALUATIONS, UNIT PRICE 10000.00, TOTAL 10000.00

PAY TERMS: NET 30 TOTAL 10,000.00

All correspondence/shippments must reflect the PO number. For prompt payment mail invoice to Accounts Payable address above.
[] If box checked and you accept this PO, goods/services & invoice must be received by the District no later than June 15 of the CURRENT YEAR. NO FINANCIAL OBLIGATION continues after June 30 of the CURRENT YEAR if the box is checked. This PO is void after one year.

Notice to Vendor/Contractor: By acceptance of the contract/order in excess of \$10,000 and involving Federal Funds, the Vendor/Contractor agrees to comply with Title 34 Section 80.36 Code of Federal Regulations. Termination for cause and for convenience by the grantee or sub-grantee including the manner by which it will be affected and the basis for settlement will be decided by the School Board of Gadsden County. In addition, the Vendor/Contractor agrees to comply with Florida Statute 257.36 regarding retention of records for 5 years.

Table with 7 columns: DISTRIBUTION TO BE COMPLETED BY ORIGINATOR (FUND, FUNCTION, OBJECT, CENTER, PROJECT), TOTAL PROGRAM, 10,000.00 AMOUNT, FINANCE DEPT USE EXPENDITURE

School Board of Gadsden County, Florida
AMENDMENT to Contractual Agreement
Fiscal Years: 2015-2016

This document amends the Renewal Contractual Agreement currently in force between the School Board of Gadsden County, Florida referred to as "RECIPIENT" and PSTB Consulting, LLC, Dr. James W. Brown, Jr., Owner/Consultant referred to as "CONTRACTOR". The amendment establishes uniform administrative requirements for the CONTRACTOR and RECIPIENT. In addition to stipulations of the current 2015-2016 Agreement approved by the "RECIPIENT" on August 26, 2015, the following are amendments:

ARTICLE 2. SCOPE OF SERVICES *(Additional Language)*

CONTRACTOR agrees to provide summative evaluations of the 2014-2015 Title II Teacher and Principal Training Fund and the 2014-2015 Title X, Part C. Homeless Children and Youth Project.

ARTICLE 5. PAYMENT *(Additional Language)*

In full and complete compensation for all services provided by the CONTRACTOR as stipulated in this amendment, Gadsden County shall pay to Dr. James W Brown, Jr. of PSTB Consulting LLC, Ten Thousand Dollars (\$10,000) for services described above in Article 2. SCOPE OF SERVICES *(Additional Language)*

IN WITNESS WHERE OF the School Board of Gadsden County, Florida and Dr. James W Brown, Jr., Owner of PSTB Consulting, LLC have executed this contract amendment.

Dr. James W Brown, Jr.
PSTB Consulting, LLC

Date

Mr. Reginald C. James

Date

Mr. Roger P. Milton, Chairman
School Board of Gadsden County, Florida

Date

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 8c



DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEM: Panhandle Area Educational Consortium (PAEC) Virtual School Agreement

DIVISION: K-12 Education

_____ This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:
(Type and Double Space)

The State of Florida requires each district to have a virtual instruction program pursuant to F.S.1002.45. Approval of the Panhandle Area Educational Consortium (PAEC) Agreement is requested in order to provide a virtual instruction program to the students of Gadsden County as a school choice option.

FUND SOURCE: FEFP

AMOUNT: Undetermined – based upon enrollment

PREPARED BY: Dionne Mathews-Nelloms *DMN*

POSITION: K-12 Supervisor of Curriculum & Instruction

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

1 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered 4

Panhandle Area Educational Consortium Contract Agreement

THIS CONTRACT is entered into by and between the Gadsden County School Board, 35 Martin Luther King, Jr. Blvd., Quincy, Florida, hereinafter called "contractee", and Panhandle Area Educational Consortium, through its District of Record, the Washington County School Board, 753 West Boulevard Chipley Florida 32428 hereinafter called "contractor."

The contract will commence July 1, 2015 and will continue until June 30, 2016. Bonnie Wertenberger will direct the activities of the contract.

The contractee agrees to compensate contractor for the amount of \$275 and/or \$150 per half-credit per billable enrollment.* The payment schedule will be in January 2016, April 2016 and June 2016. The invoice should be signed by the contractor, reference the PAEC contract number, as shown above, include appropriate supporting documentation, and should be forwarded to the Finance Office, PAEC, 753 West Boulevard, Chipley, FL 32428.

If applicable, verification of Level 2 screening, as stated in F.S. 1012.465, must be submitted to the PAEC Risk Management Department and approved before contract can be presented to the Washington County School Board for approval.

The services provided through this contract are stipulated as follows:

The contractor, Panhandle Area Educational Consortium, through its District of Record, the Washington County School Board will:

1. Will provide curriculum and instruction for part-time secondary (6-12) students.
2. Recruit, train, provide, and compensate PAEC instructors.
3. Approve students in courses.
4. Assign teachers to courses and students.
5. Supervise PAEC-contracted teachers.
6. Pay Florida Virtual School the contracted fees pursuant to student participation.
7. Invoice the district a \$275 fee per student/course will be assessed each semester for students who successfully complete a course in which the contractor compensates the instructor. A \$150 fee per student/course will be assessed each semester for students who successfully complete a course in which the instructor is not compensated by the contractor. An assessment of \$75 will be charged if a student is withdrawn after the 28 day grace period for either option mentioned above. A fee will not be charged for students who are withdrawn prior to the 28 day grace period.

The contractee, Gadsden County School Board will:

1. Establish a district MIS Virtual Education contact.
2. Establish a district Instructional Virtual Education contact.
3. Establish a FLVS franchise with a 7004 designation.

4. Provide verification of student VIP eligibility and approve course requests.
5. Approve virtual student course requests
6. Provide students access to franchise courses during the regular school day
7. Monitor virtual student progress.
8. Communicate to and schedule students for state-required assessments.
9. Report FTE and all other DOE survey information.
10. Recommend the appropriate provider option for high school students based on their academic needs.
11. Make timely payment of PAEC invoices per the fees noted in this contract.
12. Clearly identify and differentiate between students taking courses as a blended virtual student or as a traditional virtual student. (Blended virtual student will be defined as a student who is enrolled in a PAEC FLVS Franchise course who receives instruction by a certified teacher during the regular school day, and the said teacher is compensated by the contractee, "DISTRICT" County School Board.

This contract is subject to the requirements of EDGAR Subpart 80 C Financial Administration – Sec. 80.35 Subawards to debarred and suspended parties.

- a. No award will be made to parties that have been suspended or debarred from participation in federal assistance programs. A review of the official site for debarred and suspended parties or otherwise ineligible parties will be made prior to approval of this contract. Evidence of parties of this contract being included in such listings will deem the contractor ineligible making this contract null and void, by Executive Order 12549, "Debarment and Suspension."

The contractor, as defined by the Attorney General Opinion No. 062-120, will perform all services and furnish all labor at the Payee's risk assuming full responsibility for completion of services stipulated. The contractor is the party providing the services; the contractee is the party receiving the services and providing the payment for the services.

This Agreement is subject to the Laws of the State of Florida, in particular, the below listed provisions found in Florida Statutes 287.058, 287.0582, 216.347 and 215.422:

287.058 -

- (1) a. A provision that bills for fees or other compensation for services or expenses be submitted in detail sufficient for a proper preaudit and postaudit thereof.
- c. A provision allowing unilateral cancellation by the agency for refusal by the contractor to allow public access to all documents, papers, letters, or other material made or received by the contractor in conjunction with the contract, unless the records are exempt from s. 24(a) of Art. I of the State Constitution and s. 119.07(1).
- (2) The agency head and the contractor prior to the rendering of any contractual service shall sign the written agreement.

287.0582 -

The State of Florida's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature.

216.347 -

The terms of this agreement prohibit the expenditure of funds for the purpose of lobbying the

Legislature or a state agency.

215.422 -

Agencies have 5 working days to inspect and approve goods and services, unless bid specifications or the P.O. specifies otherwise. With the exception of payments to health care providers for hospital, medical, or other health care services, if payment is not available within 40 days, measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, a separate interest penalty set by the Comptroller pursuant to Section 55.03, F.S., will be due and payable in addition to the invoice amount. To obtain the applicable interest rate, please contact the Agency's Fiscal Section at the agency's main office. Payments to health care providers for hospitals, medical or other health care services, shall be made not more than 35 days from the date of eligibility for payment is determined, and the daily interest rate is .03333%. Invoices returned to a vendor due to preparation errors will result in a payment delay. Invoice payment requirements do not start until a properly completed invoice is provided to the agency. A Vendor Ombudsman, whose duties include acting as an advocate for vendors who may be experiencing problems in obtaining timely payment(s) from a State Agency, may be contacted at the agency's main office.

1012.465-

(1) Non-instructional school district employees or contractual personnel who are permitted access on school grounds when students are present, who have direct contact with students or who have access to or control of school funds must meet Level 2 screening requirements as described in s. 1012.32, F.S. Contractual personnel shall include any vendor, individual, or entity under contract with the school board.

This Contract is also subject to the Laws of the United States of America, in particular those provisions for procurement - Contract Administration described in Title 34, Section 80.36(i), Code of Federal Regulations not previously covered in the above references to Florida Statutes. These provisions are:

- a. All records supporting project activities and the expenditure of funds must be maintained for a minimum of three years after the final payments and all other pending matters are closed.
- b. Access will be allowed by the contractee to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- c. The contractor understands that contractee will give the contractor thirty (30) days to take corrective action should it be determined that there is a violation of the contract. If corrective action is not taken by the contractor, funding will be withheld or revoked.
- d. For a contract in excess of \$10,000, the contractor understands that modifications and/or revisions to the financial and/or program aspects of this contract may be required as a result of changes in funding. The contractor understands and agrees that if either party desires to change, modify, or terminate this Agreement, the proposed changes shall be negotiated and shall be written documents executed by both parties.

IN WITNESS WHEREFORE, the parties have executed this CONTRACT/MODIFICATION and signing, thereby validating this CONTRACT/MODIFICATION, the parties also certify that each possesses legal authority to contractually bind their respective organizations in their capacity as a signatory official.

Contractee

Contractor

Mr. Roger Milton, Board Chairman
Gadsden County School Board

Herbert J. Taylor, Superintendent
Washington County School Board

Date

Date



Mr. Reginald C. James, Superintendent
Gadsden County School District

Interim Executive Director
Panhandle Area Educational Consortium

Date

Social Security # or Federal ID#

59-6000898

Social Security # or Federal ID #

WCSB Date:

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 8d

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEM: Memorandum of Understanding Between United Way of the Big Bend, Liberty Community Health Care, Inc., and Gadsden County Schools

DIVISION: Administration

 This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:
(Type and Double Space)

This Memorandum of Understanding between the three parties would allow SMILE UNITED to provide a school-based dental sealant program on campus.

FUND SOURCE: N/A

AMOUNT: N/A

PREPARED BY: Reginald C. James

POSITION: Superintendent

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered

CHAIRMAN'S SIGNATURE: page(s) numbered

MEMORANDUM OF UNDERSTANDING

United Way of the Big Bend
307 East 7th Avenue
Tallahassee, FL 32303
(850) 414-0844

Katrina Rolle, President/CEO

And

Liberty Community Health Care, Inc.
P.O. Box 175
Hosford, FL 32334
(850) 379-5800

Peggy Howland, Executive Director

And

Gadsden County Schools
35 Martin Luther King, Jr. Blvd.
Quincy, FL 32351
(850) 627-9651

[Designated Person, Title]

Period Covered: January 2016 to August 2016

This Memorandum of Understanding, hereinafter referred to as "the MOU," between the three above-captioned parties contains basic provisions, which will guide the working relationship between all parties concerning the SMILE UNITED program. This MOU is an expression of understanding to facilitate cooperation on matters relating to the execution of the SMILE UNITED program as outlined below.

United Way of the Big Bend (UWBB) Responsibilities:

- Coordinate communication between the partners
- Recruit and coordinate with Gadsden County Schools to have schools participate in the program
- Develop the schedule for each school
- Work with school principals to identify a site coordinator
- Ensure that site coordinators distribute and collect all required paperwork from families who wish to take advantage of the SMILE UNITED program within a prescribed time frame
- Work with site coordinator to secure a location in each school that meets Liberty Community Health Care, Inc.'s specific requirements
- Check in with the SMILE UNITED program at each school to make sure the program is running efficiently
- Create student charts to be given to LCHC for billing and record purposes
- Develop working relationship with each school site coordinator and administer designated stipend for their efforts.
- Purchase fully-equipped state-of-the-art portable dental chairs and accompanying supplies

Liberty Community Health Care, Inc. (LCHC) Responsibilities:

- Coordinate with UWBB to gather permission forms for records and billing
- Perform necessary paperwork and prepare charts prior to going to a selected school
- Coordinate transportation of dental equipment to each scheduled site

- Set up all necessary equipment and materials at each school site in advance of services
- Provide coordinator and sufficient amount of dental hygienists each week to perform sealants
- Coordinate with site coordinator and other school employees to come up with a system of gathering the students
- Provide United Way of the Big Bend with data collected on the students as requested
- Provide each student with a dental assessment, cleaning, sealants (up to 4), fluoride varnish and dental education.
- Bill Medicaid providers to ensure reimbursement
- House all dental equipment and supplies during holiday breaks and summer months.

Gadsden County Schools Responsibilities:

- Allow SMILE UNITED to provide services on school campuses
- Provide suitable and dedicated space (not portable unit due to fire hazard) at each school for the duration of the scheduled visit
- House all dental equipment and supplies when not in use during the school year

The parties whose signatures appear below attest to having the authority to enter into this MOU and agree that this MOU will become effective on the aforementioned date.

United Way of the Big Bend

Liberty Community Health Care, Inc.

Gadsden County Schools

(Responsible Party)

(Responsible Party)

(Responsible Party)

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 8e

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEMS: Uniform Grant Guidance Implementation Procedures

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS: To review and approve the following procedures to ensure the district's compliance with the federal uniform grant guidance. These procedures supplement the Board's policies of these topic areas.

- 2016 FA 0001 – Fixed Assets/Capital Assets
- 2016 Pay 0001 – Payroll Costs Including Time and Effort Standards
- 2016 Pur 0001 – Purchasing/Procurement Procedures

FUND SOURCE: n/a

AMOUNT: n/a

PREPARED BY: Kim Ferree

POSITION: Assistant Superintendent for Business Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMANS'S SIGNATURE: page(s) numbered _____
Be sure that the Comptroller has signed the budget page.

2016 FA 0001 – Fixed Assets/Capital Assets

Responsible Division:	Office of Business and Finance
Approving Official:	Kimberly Ferree
Effective Date:	January 27, 2016
Last Revision Date:	1/26/16

OBJECTIVE

This procedure provides guidance to help ensure the district's compliance with federal uniform grant guidance (UGG) as it relates to fixed assets. These procedures are intended to supplement the Board's policies as they relate to fixed assets, contracting, competitive procurement, etc. The fixed asset procedures are to be implemented along with other applicable procedures, such as 2016 Pur 0001 – Purchasing/Procurement Procedures.

The UGG have a higher threshold for the capitalization of capital assets \$5,000 than the district's capitalization threshold of \$750, so the district's threshold will apply. The federal guidance classifies computer equipment purchases as supplies rather than fixed assets, however since most computer equipment will likely still exceed the district's capitalization threshold, most computer items will continue to be coded as capital assets for the district.

OVERVIEW – Expenditures for capital assets acquired or constructed for general district purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the district as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the time of donation. Interest costs incurred during construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

DEFINITIONS

Acquisition cost - is the cost of the asset including the cost to ready the asset for its intended use.

Capital assets - are tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP.

Capital expenditures - are expenditures that are made to acquire capital assets or expenditures that are made to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

Computing devices - are machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. The UGG classifies computing devices less than \$5,000 as supplies. As noted above, due to the Board's lower capitalization threshold, these devices will likely continue to be capitalized as a fixed asset.

Depreciation is the method for allocating the cost of fixed assets to periods benefitting from asset use.

Equipment. - are tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the Board for financial statement purposes.

General purpose equipment – is equipment which is not limited to research, medical, scientific or other technical activities. Office equipment and furnishings, modular offices, telephone networks, information technology equipment

and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles are types of general purpose equipment.

Information technology systems - are computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.

Intangible property – is property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

Personal property - is property other than real property. It may be tangible, having physical existence, or intangible

Property - means real property or personal property

Real property – consists of land, including land improvements, structures such as buildings and appurtenances thereto, but excludes moveable machinery and equipment.

Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues.

Supplies – are all tangible personal property other than equipment. A computing device is a supply if the acquisition cost is less than the lesser of the Board's capitalization threshold of \$750, regardless of the length of its useful life. The Florida Department of Education (FDOE) accounting manual provides for computing devices to be accounted for as a non-capitalizable fixed asset if less than the \$750 capitalization threshold.

PROPERTY STANDARDS

Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.

Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP).

Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity's regular accounting practices.

Capital assets are also referred to as fixed assets. Capital Assets include:

1. Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
2. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

A computing device is a supply if the acquisition cost is less than the lesser of the Board's capitalization threshold of \$750, regardless of the length of its useful life. The Florida Department of Education (FDOE) accounting manual (red book) provides for computing devices to be accounted for as a non-capitalizable fixed asset if they cost less than the \$750 capitalization threshold.

Insurance coverage At a minimum, the non-Federal entity will provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as it provides to property owned by the district that was purchased with non-Federal funds. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award.

Real property Title to real property acquired or improved under a Federal award will vest upon acquisition in the non-Federal entity (district). Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the district will not dispose of or encumber its title or other interests.

Disposition When real property is no longer needed for the originally authorized purpose, the district will obtain disposition instructions from the Federal awarding agency or pass-through entity (FDOE). The instructions will provide for one of the following alternatives:

1. Retain title after compensating the Federal awarding agency. The amount paid to the Federal awarding agency will be computed by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, in those situations where the district is disposing of real property acquired or improved with a Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
2. Sell the property and compensate the Federal awarding agency. The amount due to the Federal awarding agency will be calculated by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the Federal award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When the district is directed to sell property, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return.
3. Transfer title to the Federal awarding agency or to a third party designated/approved by the Federal awarding agency. The district is entitled to be paid an amount calculated by applying the district's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property.

Federally-owned and exempt property Title to federally-owned property remains vested in the Federal Government. The district will submit annually an inventory listing of federally-owned property in its custody to the Federal awarding agency (FDOE). Upon completion of the Federal award or when the property is no longer needed, the district will report the property to the Federal awarding agency for further Federal agency utilization.

If the Federal awarding agency has no further need for the property, it must declare the property excess and report it for disposal to the appropriate Federal disposal authority, unless the Federal awarding agency has statutory authority to dispose of the property by alternative methods (e.g., the authority provided by the Federal Technology Transfer Act (15 U.S.C. 3710 (i)) to donate research equipment to educational and non-profit organizations in accordance with Executive Order 12999, "Educational Technology: Ensuring Opportunity for All Children in the Next Century."). The Federal awarding agency via FDOE or other cognitive agency, as appropriate, must issue appropriate instructions to the district.

Exempt federally-owned property means property acquired under a Federal award where the Federal awarding agency has chosen to vest title to the property to the district without further obligation to the Federal Government, based upon the explicit terms and conditions of the Federal award. The Federal awarding agency may exercise this option when statutory authority exists. Absent statutory authority and specific terms and conditions of the Federal award, title to exempt federally-owned property acquired under the Federal award remains with the Federal Government.

Equipment Title to equipment acquired under a Federal award will vest upon acquisition to the district. Unless a statute specifically authorizes the Federal agency to vest title in the district without further obligation to the Federal Government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in with the district subject to the following conditions:

1. Use the equipment for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project.
2. Not encumber the property without approval of the Federal awarding agency or pass-through entity.
3. Use and dispose of the property in accordance with the following UGG standards described below.

A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures.

Districts must follow paragraphs the following use and disposal guidelines below:

Use. (1) Equipment must be used by the district in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the district will not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

(i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then

(ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

(2) During the time that equipment is used on the project or program for which it was acquired, the district will also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by Federal awarding agency that financed the equipment and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for district non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement of program income to earn program income, the district will not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal Government retains an interest in the equipment.

(4) When acquiring replacement equipment, the district may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the district is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Disposition. 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 district will request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

1. 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.
2. Except as provided in Section 200.312 Federally-owned and exempt property, paragraph (b) of the UGG, 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 district 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 district to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
3. The district may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the district will be entitled to compensation for its attributable percentage of the current fair market value of the property.
4. In cases where the district fails to take appropriate disposition actions, the Federal awarding agency may direct the district to take disposition actions.

Supplies Title to supplies will vest in the district upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the district will retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation will be computed in the same manner as for equipment. Section 200.313 Equipment, paragraph (e)(2) provides for the calculation methodology that the district will use for the calculation.

As long as the Federal Government retains an interest in the supplies, the district will not use supplies acquired under a Federal award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

Intangible property. Title to intangible property acquired under a Federal award vests upon acquisition in the district. The district will use that property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur.

The district may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so. The district is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."

The Federal Government has the right to:

1. Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and
2. Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

Freedom of Information Act (FOIA) Generally, the district federally sponsored programs will not result in any published research and this part of the UGG is more geared toward higher education. However in the event that the district does publish any research in scientific or technical journals, then in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal Government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the district must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the district. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

Published research findings means when: (i) Research findings are published in a peer-reviewed scientific or technical journal; or (ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. "Used by the Federal Government in developing an agency action that has the force and effect of law" is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This "recorded" material excludes physical objects (e.g., laboratory samples). Research data also do not include:

1. Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and
2. Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

Property trust relationship Real property, equipment, and intangible property, that are acquired or improved with a Federal award will be held in trust by the district as trustee for the beneficiaries of the project or program under which the property was acquired or improved. The Federal awarding agency may require the district to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property.

Bonding requirements. For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

Depreciation is the method for allocating the cost of fixed assets to periods benefitting from asset use. The district may be compensated for the use of its buildings, capital improvements, equipment, and software projects capitalized in accordance with GAAP, provided that they are used, needed in the district's activities, and properly allocated to Federal awards.

Such compensation must be made by computing depreciation. Depreciation is computed applying the following rules. The computation of depreciation must be based on the acquisition cost of the assets involved.

For an asset donated to the district by a third party, its fair market value at the time of the donation must be considered as the acquisition cost. Such assets may be depreciated or claimed as matching but not both. For this purpose, the acquisition cost will exclude: (1) The cost of land; (2) Any portion of the cost of buildings and equipment borne by or donated by the Federal government, irrespective of where title was originally vested or where it is

presently located; (3) Any portion of the cost of buildings and equipment contributed by or for the district or where law or agreement prohibits recovery; and (4) Any asset acquired solely for the performance of a non-Federal award.

When computing depreciation charges, the following must be observed:

1. The period of useful service or useful life established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment, technological developments in the particular area, historical data, and the renewal and replacement policies followed for the individual items or classes of assets involved.
2. The depreciation method used to charge the cost of an asset (or group of assets) to accounting periods must reflect the pattern of consumption of the asset during its useful life. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight-line method must be presumed to be the appropriate method. Depreciation methods once used may not be changed unless approved in advance by the cognizant agency. The depreciation methods used to calculate the depreciation amounts for indirect (F&A) rate purposes must be the same methods used by the non-Federal entity for its financial statements.
3. The entire building, including the shell and all components, may be treated as a single asset and depreciated over a single useful life. A building may also be divided into multiple components. Each component item may then be depreciated over its estimated useful life. The building components must be grouped into three general components of a building: building shell (including construction and design costs), building services systems (e.g., elevators, HVAC, plumbing system and heating and air-conditioning system) and fixed equipment (e.g., sterilizers, casework, fume hoods, cold rooms and glassware/washers). In exceptional cases, a cognizant agency may authorize a district to use more than these three groupings. When the district elects to depreciate its buildings by its components, the same depreciation methods must be used for indirect (F&A) purposes and financial statements purposes.
4. No depreciation may be allowed on any assets that have outlived their depreciable lives.
5. Where the depreciation method is introduced to replace the use allowance method, depreciation must be computed as if the asset had been depreciated over its entire life (i.e., from the date the asset was acquired and ready for use to the date of disposal or withdrawal from service). The total amount of use allowance and depreciation for an asset (including imputed depreciation applicable to periods prior to the conversion from the use allowance method as well as depreciation after the conversion) may not exceed the total acquisition cost of the asset.

Charges for depreciation must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that the assets exist and are usable, used, and needed. Statistical sampling techniques may be used in taking these inventories. In addition, adequate depreciation records showing the amount of depreciation taken each period must also be maintained.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other Than Buildings	10 – 35 years
Buildings and Fixed Equipment	15 – 50 years
Furniture, Fixtures, and Equipment	5 – 7 years
Motor Vehicles	5 – 10 years

Gains and losses on disposition of depreciable assets Any gains and losses from the sale, retirement, or other disposition of depreciable property will be included in the year in which they occur as credits or charges to the asset cost grouping(s) in which the property was included. The amount of the gain or loss to be included as a credit or charge to the appropriate asset cost grouping(s) is the difference between the amount realized on the property and the undepreciated basis of the property.

Gains and losses from the disposition of depreciable property must not be recognized as a separate credit or charge under the following conditions:

1. The gain or loss is processed through a depreciation account and is reflected in the depreciation allowable under UGG Section 200.436 for depreciation and section 200.439 for equipment and other capital expenditures.
2. The property is given in exchange as part of the purchase price of a similar item and the gain or loss is taken into account in determining the depreciation cost basis of the new item.
3. A loss results from the failure to maintain permissible insurance, except as otherwise provided in UGG section 200.447 insurance and indemnification.
4. Compensation for the use of the property was provided through use allowances in lieu of depreciation.
5. Gains and losses arising from mass or extraordinary sales, retirements, or other dispositions must be considered on a case-by-case basis.

Gains or losses of any nature arising from the sale or exchange of property other than the property covered such as land, must be excluded in computing Federal award costs.

When assets acquired with Federal funds, in part or wholly, are disposed of, the distribution of the proceeds must be made in accordance with insurance coverage through the property trust relationship.

Maintenance and repair costs Costs incurred for utilities, insurance, security, necessary maintenance, janitorial services, repair, or upkeep of buildings and equipment (including Federal property unless otherwise provided for) which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition, are allowable expenses for the Federal award. Costs incurred for improvements which add to the permanent value of the buildings and equipment or appreciably prolong their intended life will be treated as capital expenditures. These costs are only allowable to the extent not paid through rental or other agreements.

Materials and supplies costs, including costs of computing devices. Costs incurred for materials, supplies, and fabricated parts necessary to carry out a Federal award are allowable expenses of the Federal award. Purchased materials and supplies must be charged at their actual prices, net of applicable credits. Withdrawals from general stores or stockrooms must be charged at their actual net cost under any recognized method of pricing inventory withdrawals, consistently applied. Incoming transportation charges are a proper part of materials and supplies costs. Materials and supplies used for the performance of a Federal award may be charged as direct costs. In the specific case of computing devices, charging as direct costs is allowable for devices that are essential and allocable, but not solely dedicated, to the performance of a Federal award. Where federally-donated or furnished materials are used in performing the Federal award, such materials will be used without charge.

REFERENCES

UGG Sections: 200.2 Acquisition cost, 200.12 Capital assets, 200.20 Computing devices, 200.33 Equipment, 200.48 General purpose equipment, 200.58 Information technology systems, 200.59 Intangible property, 200.78 Personal property, 200.81 Property, 200.85 Real property, 200.94 Supplies, 200.310 Insurance coverage, 200.311 Real property, 200.312 Federally-owned and exempt property, 200.313 Equipment, 200.314 Supplies, 200.315 Intangible property, 200.316 Property trust relationship, 200.325 Bonding requirements, 200.436 Depreciation, 200.443 Gains and losses on disposition of depreciable assets, 200.452 Maintenance and repair costs, 200.453 Materials and supplies costs, including costs of computing devices.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75880, Dec. 19, 2014]

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75884, Dec. 19, 2014]

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014]

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75887, Dec. 19, 2014]

37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."

Freedom of Information Act (FOIA) (5 U.S.C. 552(a)(4)(A))

Federal Technology Transfer Act (15 U.S.C. 3710 (i))

2016 Pay 0001 – Payroll Costs including Time and Effort Standards

Responsible Division:	Office of Business and Finance
Approving Official:	Kimberly Ferree
Effective Date:	January 27, 2016
Last Revision Date:	1/26/16

OBJECTIVE

This procedure provides guidance to help ensure the district's compliance with federal uniform grant guidance as it relates to payroll cost and time and effort reporting. These procedures are intended to supplement the Board's policies, such as policy numbers 6510, 6520, 6521, 6530, and 6700 which is not meant to be an all-inclusive list of Board policies as they relate to employee compensation, benefits, or time and effort reporting.

Section 2 CFR 200.430 contains the time and effort reporting guidance. The primary focus on time and effort requirements is that strong internal controls must exist for the reporting of salaries and wages to ensure that the payroll charged to various grants match were actual time spent.

DEFINITIONS - Compensation

Compensation – generally means payment for personal services and includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits.

Fringe benefits - include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans.

Incentive compensation – is compensation given to employees as an incentive and is based on cost reduction, or efficient performance, suggestion awards, safety awards, etc

Leave – is the cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits.

Non-similar cases – instances where the kinds of employees required for Federal awards are not found in the other activities of the non-Federal entity.

Reasonableness - Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity. In non-Federal similar cases, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the non-Federal entity competes for the kind of employees involved.

Severance Pay – Is also known as dismissal wages, is a payment in addition to regular salaries and wages, by non-Federal entities to workers whose employment is being terminated.

Special considerations – are considerations that arise from unique or special circumstances that can be considered in determining allowability of compensation that will be given to any change in a non-Federal entity's compensation policy resulting in a substantial increase in its employees' level of compensation (particularly when the change was

concurrent with an increase in the ratio of Federal awards to other activities) or any change in the treatment of allowability of specific types of compensation due to changes in Federal policy.

Time and Effort – the personnel costs associated with the time and effort spent on the grant. Time and Effort must follow the Standards for Documentation of Personnel Expenses Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.

Unallowable costs – are costs which are unallowable under other sections of the uniform grant guidance principles and are not allowed to be charged to the grant.

General Procedures - Compensation

Costs of compensation are considered allowable to the extent that they satisfy the specific requirements of the Section 2 CFR 200.430 and the grant application/award. The total compensation for individual employees should be allowable if they are:

(1) reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;

(2) follow an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and

(3) determined and supported as provided in accordance with the time and effort Standards for Documentation of Personnel Expenses, when applicable.

For compensation for professional activities outside the non-Federal entity, unless an arrangement is specifically authorized by a Federal awarding agency, a non-Federal entity must follow its written non-Federal entity-wide policies and practices concerning the permissible extent of professional services that can be provided outside the non-Federal entity for non-organizational compensation. If non-Federal entity-wide written policies are silent, do not exist, or are do not adequately define the permissible extent of consulting or other non-organizational activities undertaken for extra outside pay, the Federal Government may require that the effort of professional staff working on Federal awards be allocated between:

(1) Non-Federal entity activities, and

(2) Non-organizational professional activities. If the Federal awarding agency considers the extent of non-organizational professional effort excessive or inconsistent with the conflicts-of-interest terms and conditions of the Federal award, appropriate arrangements governing compensation will be negotiated on a case-by-case basis.

When a ceiling applies to compensation generally the allowable compensation for certain employees is subject to a ceiling in accordance with statute. To determine the amount of the ceiling for cost-reimbursement contracts, the covered compensation subject to the ceiling, the covered employees, and other relevant provisions, see 10 U.S.C. 2324(e)(1)(P), and 41 U.S.C. 1127 and 4304(a)(16). For other types of Federal awards, other statutory ceilings may apply. Grant writers are responsible for verifying the ceiling limitations and incorporate accordingly in their grant applications.

Incentive compensation is considered allowable to the extent that the overall compensation is determined to be reasonable and such costs are paid or accrued pursuant to an agreement entered into in good faith between the non-Federal entity and the employees before the services were rendered, or pursuant to an established plan followed by the non-Federal entity so consistently as to imply, in effect, an agreement to make such payment.

For compensation to members of nonprofit organizations, trustees, directors, associates, officers, or the immediate families thereof, determination must be made that such compensation is reasonable for the actual personal services rendered rather than a distribution of earnings in excess of costs. This may include directors and executive committee member's fees, incentive awards, allowances for off-site pay, incentive pay, location allowances, hardship pay, and cost-of-living differentials. However the Board's policy regarding conflict of interest may consider some of these costs an unallowable at the LEA level rather than on the Federal lever. Such circumstances must be reviewed on a case by case basis and documented for the conformity to the conflict of interest policies and procedures.

Time and Effort – the personnel costs associated with the time and effort spent on the grant.

The uniform grant guidance requires that time distribution records must be maintained for all employees whose salary is paid in whole or in part with federal funds or is used to meet a match or cost-share requirement for a grant. Payroll allocations among grants cannot be based on budget distributions alone. Rather allocations of salaries and wages among grant programs need to be supported by actual hours worked. If budgeted numbers are used to allocate salaries and wages among grant programs, the entity's system of internal controls should include an after-the-fact review of the grant programs. If actual time differs from the budgeted allocations, adjustments should be made such that the final amount charged to each grant is accurate, allowable, and appropriately allocated.

All time worked for the organization should be included in order to calculate what portion relates to federal awards. Nonexempt employees must prepare records indicating the total number of hours worked each day.

Compensation paid by federal award should be considered reasonable. For employees whose salary is paid by federal awards, it is considered reasonable if it is consistent with similar work in other areas of the entity.

Time and Effort must follow the Standards for Documentation of Personnel Expenses Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
- (iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- (v) Comply with the established accounting policies and practices of the non-Federal entity; and
- (vi) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.
- (viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that:
 - The system for establishing the estimates produces reasonable approximations of the activity actually performed.
 - Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term.
 - The non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal awards based on budget estimates. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

For records which meet the standards required in this time and effort section, the non-Federal entity will not be required to provide additional support or documentation for the work performed, other than that referenced in the Section 2 CFR 200.430 paragraph (i) (3) which pertain to intra-institution of Higher Education, which is generally not applicable to our LEA.

For a non-Federal entity where the records do not meet the standards described in this procedure, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the time and effort records.

Charges for the salaries and wages of nonexempt employees must also be supported by records indicating the total number of hours worked each day in order to ensure compliance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) 29 CFR part 516.

Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards. Substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the mentioned records if approved by the cognizant agency for indirect cost.

The majority of the federal grants at the district do not use a substitute system. The Florida Department of Education (FDOE) has been approved to use a substitute system, however FDOE has not authorized the use of this the our LEA. We continue to follow FDOE's instructions for time in effort as follows:

- If a person is paid fully on a federal award – they need only document (for federal purposes) in a semi-annual certification that states they have worked full time for the federal award. This certification is in addition to the our LEA's required time signs and other time records as prescribed by their functional unit.
- If a person is paid by two federal awards but both federal awards have the same cost objective (doing the same type work – such as teaching during the regular day with Title I and after school teaching with the 21st CCLC with the same cost objective), then a semi-annual certificate is again used. This certification is in addition to the our LEA's required time signs and other time records as prescribed by their functional unit.
- If a person is paid by a federal award and the general fund, then a monthly PARS is required to show the financial split of services paid and time sheets should match split of pay. A PARS form is required when paid from all federal funds which have different cost objectives.

The substitute system is required for the Medicaid reimbursements for fee for service and administrative claiming filings with ACHA.

Such systems may include, but are not limited to, random moment sampling, "rolling" time studies, case counts, or other quantifiable measures of work performed.

Substitute systems which use sampling methods (such as Medicaid) must meet acceptable statistical sampling standards including:

- The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results unless they meet a provided exception §200.430 CFR paragraph (1)(5)(iii).
- The entire time period involved must be covered by the sample; and
- The results must be statistically valid and applied to the period being sampled.

Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

Less than full compliance with the statistical sampling standards may be accepted by the cognizant agency for indirect costs if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the non-Federal entity will result in lower costs to Federal awards than a system which complies with the standards.

Cognizant agencies for indirect costs are encouraged to approve alternative proposals based on outcomes and milestones for program performance where these are clearly documented. Where approved by the Federal cognizant agency for indirect costs, these plans are acceptable as an alternative to the requirements of §200.430 CFR paragraph (i)(1).

Federal regulations allow for Federal awards of similar purpose activity or instances of approved blended funding, the non-Federal entity to submit performance plans that incorporate funds from multiple Federal awards and account for

their combined use based on performance-oriented metrics, provided that such plans are approved in advance by all involved Federal awarding agencies. In these instances, the non-Federal entity must submit a request for waiver of the requirements based on documentation that describes the method of charging costs, relates the charging of costs to the specific activity that is applicable to all fund sources, and is based on quantifiable measures of the activity in relation to time charged.

Compensation—fringe benefits.

Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Except as provided elsewhere in Section 2 CFR 200.431, the costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law, non-Federal entity-employee agreement, or an established policy of the non-Federal entity.

Leave costs are allowable if all of the following criteria are met:

- They are provided under established written leave policies;
- The costs are equitably allocated to all related activities, including Federal awards; and,
- The accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the non-Federal entity or specified grouping of employees.
 - When using the cash basis of accounting, the cost of leave is recognized in the period that the leave is taken and paid for. Payments for unused leave when an employee retires or terminates employment are allowable in the year of payment.
 - The accrual basis may be only used for those types of leave for which a liability as defined by GAAP exists when the leave is earned. When using the accrual basis of accounting, allowable leave costs are the lesser of the amount accrued or funded.

The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in section 2 CFR 200.447 Insurance and indemnification); pension plan costs; and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits, must be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities, and charged as direct or indirect costs in accordance with the non-Federal entity's accounting practices.

Fringe benefits may be assigned to cost objectives by identifying specific benefits to specific individual employees or by allocating on the basis of entity-wide salaries and wages of the employees receiving the benefits. When the allocation method is used, separate allocations must be made to selective groupings of employees, unless the non-Federal entity demonstrates that costs in relationship to salaries and wages do not differ significantly for different groups of employees.

The district does not self-insure so requirements in Section 2 CFR 200.431 paragraph (e)(1) are do not apply to our LEA.

Costs of insurance on the lives of trustees, officers, or other employees holding positions of similar responsibility are allowable only to the extent that the insurance represents additional compensation. The costs of such insurance when the non-Federal entity is named as beneficiary are unallowable.

Actual claims paid to or on behalf of employees or former employees for workers' compensation, unemployment compensation, severance pay, and similar employee benefits (e.g., post-retirement health benefits), are allowable in the year of payment provided that the non-Federal entity follows a consistent costing policy and they are allocated as indirect cost.

The portion of automobile costs furnished by the entity that relates to personal use by employees is unallowable as fringe benefit or indirect (F&A) costs regardless of whether the cost is reported as taxable income to the employees.

Pension plan costs which are incurred in accordance with the established policies of the non-Federal entity are allowable, provided that:

- Such policies meet the test of reasonableness.
- The methods of cost allocation are not discriminatory.
- For entities using accrual based accounting, the cost assigned to each fiscal year is determined in accordance with GAAP.
- The costs assigned to a given fiscal year are funded for all plan participants within six months after the end of that year. However, increases to normal and past service pension costs caused by a delay in funding the actuarial liability beyond 30 calendar days after each quarter of the year to which such costs are assignable are unallowable. Non-Federal entity may elect to follow the "Cost Accounting Standard for Composition and Measurement of Pension Costs" (48 CFR 9904.412).
- The district's pension plan is through the Florida Retirement System. Therefore the district would not have cause to purchase pension plan termination insurance premiums even though they are considered an allowable cost in the Federal regulations.
- Excise taxes on accumulated funding deficiencies and other penalties imposed under ERISA are unallowable.
- Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the non-Federal entity.

For pension plans financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

Pension costs calculated using an actuarial cost-based method recognized by GAAP are allowable for a given fiscal year if they are funded for that year within six months after the end of that year. Costs funded after the six month period (or a later period agreed to by the cognizant agency for indirect costs) are allowable in the year funded. The cognizant agency for indirect costs may agree to an extension of the six month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursement and the non-Federal entity's contribution to the pension fund. Adjustments may be made by cash refund or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the pension fund.

Although FRS determines the pension costs method, etc, the amounts funded by the non-Federal entity in excess of the actuarially determined amount for a fiscal year may be used as the non-Federal entity's contribution in future periods. The unfunded liability at the time of conversion is allowable if amortized over a period of years in accordance with GAAP. The district reports these amounts on their annual financial statement in accordance with the actuary report provided by FRS.

The Federal Government must receive an equitable share of any previously allowed pension costs (including earnings thereon) which revert or inure to the non-Federal entity in the form of a refund, withdrawal, or other credit.

FRS provides Post-Retirement Health supplements referred to HIS. These post-retirement health plans are included in a pension plan discussed above and are also reported in the district's annual financial report from the actuary report provide by FRS. The district does not have a separate post- retirement health supplement for which the additional reporting requirements noted in Section 2 CFR 200.431 paragraph (h) apply.

Severance pay is not paid by the district to employees who are dismissed. Therefore, the regulations in Section 2 CFR 200.431 paragraph (i) are not applicable to the district.

REFERENCES

78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014
 78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014; 80 FR 54409, Sept. 10, 2015
 10 U.S.C. 2324(e)(1)(P), and 41 U.S.C. 1127 and 4304(a)(16)
 2 CFR 200.430
 2 CFR 200.431
 2 CFR 200.447
 29 CFR part 516
 48 CFR 9904.412

2016 Pur 0001 – Purchasing/Procurement Procedures

Responsible Division:	Office of Business and Finance
Approving Official:	Kimberly Ferree
Effective Date:	January 27, 2016
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OBJECTIVE AND OVERVIEW OF UGG PROCUREMENT

This procedure provides guidance to help ensure the district's compliance with federal uniform grant guidance (UGG) as it relates to purchasing. This procedure is intended to supplement the Board's policies, such as policy numbers 4211, 4129, 6320, 6324, 6326, 6330, 6423, 6440, 6450, 6460, 6550, 7542, 7543 which is not meant to be an all-inclusive list of Board policies as they relate to purchasing. These procedures are intended to provide a clear and accurate description of the technical requirements for the material, product, or service to be procured.

The procurement standards are a component of Subpart D, Post-Award Requirements of the uniform grant guidance and are contained in Sections 200.317 through 200.326. These sections of the UGG describe the applicable procurement standards, the methods of procurement that are allowed, and listings of specific items that must be included within contracts under federal awards.

The UGG have a higher threshold for the capitalization of capital assets \$5,000 than the district's capitalization threshold of \$750, so the district's threshold will apply. The Board's policy for purchasing thresholds are discussed in the UGG methodologies listed below. Additionally, the federal guidance classifies computer equipment purchases as supplies rather than fixed assets, however since most computer equipment will likely still exceed the district's capitalization threshold, most computer items will continue to be coded as capital assets for the district.

The uniform grant guidance has consolidated the procurement into 5 methods.

1. **Procurement by micro-purchases** -. This is the only truly new method under the UGG. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$3,000. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable. The Board's purchasing policy has historically set purchases \$3,000 or less to be acquired using best price, which fixes this UGG micro-purchase method.
2. **Procurement by small purchases procedures** – Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold which is \$150,000 in the federal regulations. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. These standards do not define how many quotations constitute an "adequate number"; this will be a matter of judgment. The Board's purchasing policy for purchases between \$3,001 to \$14,999 has historically been to obtain 3 quotes from qualified sources. Since the Board's policy is lower than the UGG threshold, we will continue to apply the Board's lower threshold to the small purchases until the time that the Board approves a higher threshold.
3. **Procurement by sealed bids (formal advertising)** – Bids are publicly solicited and firm-fixed-price contract (lump sum or unit price) is awarded to the qualified responsive bidder whose bid, conforming with all the material terms and conditions of the invitation for bid, is the lowest in price. The Board's policy is to competitively procure with sealed bids or competitive proposals any purchases over \$15,000. We will continue to apply the Board's competitive solicitation thresholds until the time that the Board approves a higher threshold,
4. **Procurement by competitive proposals** – The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type of contract is awarded. It is generally used when conditions are not appropriate for use of sealed bids. A new requirement under this method is that non-Federal entity must have a written method for conducting technical evaluations of the proposals and selecting recipients. The Board's policy is to competitively procure with sealed bids or competitive proposals any purchases over \$15,000. We will continue to apply the Board's competitive solicitation thresholds until the time that the Board approves a higher threshold,

5. **Procurement by noncompetitive proposals** – This is procurement through solicitation of a proposal from only one source. This may only be used when one or more of the circumstances apply as noted in the detail procedures section.

In addition to establishing the 5 procurement methods summarized above, the UGG requires non-Federal entities to have strong policies preventing organizational conflicts of interest, which will be used to protect the integrity of procurements under federal awards and subawards. Section 200.318 describes mandatory conflict of interest language each non-Federal entity must have. In general, two types of conflict of interest policies must be maintained by the non-Federal entity.

1. Employee conflict of interest ; and
2. Organizational Conflict of Interest.

The UGG does not substantially change the procurement documentation requirements under the previous federal regulations. An organization must maintain records to sufficiently detail the history of procurement. At a minimum , this includes:

- The rationale for the method of procurement.
- Selection of the contract type.
- Contractor selection or rejection, and
- Basis for the contract price.

Other procurement items that are noteworthy in the UGG are:

- Section 200.319 contains language that prevents contractors who develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals from competing for such procurements.
- Sections 200.319c requires written procedures for procurement transactions.
- The non-Federal entity must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of the contract or purchase order. How the non-Federal entity maintains oversight is a matter of judgment for the non-Federal entity. This is a change to the prior Federal regulations which required a contract administration system.
- Appendix II provides for multiple provisions that must be included in contracts of non-Federal entities. This should be used to formulate a check list to ensure conformity.

DEFINITIONS

Acquisition cost - the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity's regular accounting practices.

Capital expenditures - expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

Compensation - the total amount paid by the Board for professional services.

Competitive solicitation -purchasing made through the issuance of an invitation to bid, request for proposals and invitation to negotiate. Competitive solicitations are not required for purchases made through the pool purchase provisions of Florida Statutes.

Conflict of interest - 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, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

Continuing Contract - is a contract for professional services entered into in accordance with all the procedures of Florida Statutes between the Board and a firm whereby the firm provides professional services to the Board for

projects in which construction costs do not exceed \$500,000; for study activity when the fee for such professional services does not exceed \$25,000; or for work of a specified nature as outlined in the contract required by the Board with the contract being for a fixed term or with no time limitation except that the contract must provide a termination clause.

Debar" or Debarment - to remove a vendor from bidding on District work

Decision or intended decision - means the following: (1) the contents of a solicitation, including any addendums; (2) a determination that a specified procurement can be made only from a single source; (3) rejection of a response or all responses to a solicitation; or (4) intention to award a contract as indicated by a posted solicitation tabulation or other written notice.

Design-build contract - a single contract with a design-build firm for the design and construction of a public construction project.

Design-build firm - a partnership, corporation, or other legal entity that (1) is certified under Florida Statutes to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent; or (2) is certified under Florida Statutes to practice or to offer to practice engineering, architecture, or landscape architecture.

Design criteria package - concise, performance-oriented drawings or specifications of the public construction project.

Design criteria professional - a firm who holds a current certificate of registration under Florida Law, to practice architecture or landscape architecture or a firm who holds a current certificate as a registered engineer under Florida Law to practice engineering and who is employed by or under contract to the Board for professional architect services, landscape architect services, or engineering services in connection with the preparation of the design criteria package

Equipment - tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. See also §§200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies

Filed - means that a document has been physically received and time/date stamped by Office of the Assistant Superintendent of Business and Finance within the time required by this policy. NOTE: All documents that are required to be filed within a stated number of days must be filed not later than 4:30 p.m. of the last day for filing. Saturdays, Sundays, and legal holidays observed by the School Board shall be excluded in the computation of any seventy-two (72) hour time period provided by this policy.

Firm - any individual, firm, partnership, corporation, association, or other legal entity permitted by law to practice architecture, engineering, or land surveying in the State.

General purpose equipment - equipment which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.

Invitation to bid - is a written solicitation for competitive sealed bids. The invitation to bid is used when the Board is capable of specifically defining the scope of work for which a contractual service is required or when the Board is capable of establishing precise specifications defining the actual commodity or group of commodities required. A written solicitation includes a solicitation that is publicly posted.

Invitation to negotiate - a written solicitation for competitive sealed replies to select one (1) or more vendors with which to commence negotiations for the procurement of commodities or contractual services. The invitation to negotiate is used when the Board determines that negotiations may be necessary for it to receive the best value. A written solicitation includes a solicitation that is publicly posted

Micro-purchase - a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is \$3,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.

Negotiate - or any form of that word means to conduct legitimate, arms-length discussions and conferences to reach an agreement on a term or price. For purposes of this policy, the term does not include presentation of flat-fee schedules with no alternatives or discussion

Person -an individual and also includes company, corporation, partnership, limited partnership, joint venture or any other legally recognized business entity

Professional Services - services of architecture, professional engineering, landscape architecture, or registered land surveying and practices of their certified/licensed staff, as defined by the laws of the State.

Project - fixed capital outlay study or planning activity described in the sections herein.

Proposer - vendors submitting bids or responses to a competitive solicitation.

PSAC - the Professional Service Advisory Committee.

Request for proposals - a written solicitation for competitive sealed proposals. The request for proposals is used when it is not practicable for the Board to specifically define the scope of work for which the commodity, group of commodities, or contractual service is required and when the Board is requesting that a responsible vendor propose a commodity, group of commodities, or contractual service to meet the specifications of the solicitation document. A written solicitation includes a solicitation that is publicly posted.

Request for Quotations - an informal process to solicit three (3) or more price quotes on items, commodities or services with standard specifications and valued under the threshold requiring formal competitive solicitations. Quotations may be obtained verbally or via facsimile or e-mail.

School Board - the School Board of Gadsden County, Florida, as defined in State law.

Superintendent - the Superintendent or their designee.

Supplies - all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. Note: computing devices greater than \$750 will be capitalized as FF&E in accordance with Board capitalization policy.

Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of: (1) the actual cost of materials; and (2) direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Value engineering - is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

PROCEDURES – PROCUREMENT STANDARDS

The UGG states that when procuring property and services under a Federal award, the district must follow the same policies and procedures it uses for procurements from its non-Federal funds. UGG requires that the LEA and its contractors comply with procurement of recovered materials provisions and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow general procurement standards and include contract provisions described in Appendix II of the UGG.

General procurement standards The district must use its own documented procurement procedures which reflect applicable State laws and regulations, provided that the procurements conform to applicable Federal law and the

standards identified in the UGG. The district must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

The district has separately issued written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Board members, Superintendent, directors, employees, and any other agents for the school board may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.

The district's purchasing philosophy is to avoid acquisition of unnecessary or duplicative items. Consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

To promote greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the district is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

The district encourages the use of Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

The district encourages the use of value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

The district only awards contracts to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Contractors on federal awarded projects are subject to suspension and debarment certification.

The district maintains records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

The district may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Since time and material contracts generate an open-ended contract price with no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the district must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

The district alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the district of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the district unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

Before making any recommendation for the purchase of commodities or contractual services, the Superintendent shall ensure that the commodities or contractual services conform to the standards and specifications necessary for the use intended and shall take all steps necessary to see that the maximum value is being received for any money expended.

Competition Descriptions in competitive procurements must not contain features which unduly restrict competition. The descriptions may include a statement of the qualitative nature of the material, product or service to be procured and when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. While detailed product specifications should be avoided if at all possible, when it is

impractical or uneconomical to make a clear and accurate description of technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offers' must fulfill and all other factors to be used in evaluating bids or proposals. The Superintendent, or his designee, shall see that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the district shall not preclude potential bidders from qualifying during the solicitation period.

Any School Board employee who has purchasing authority shall consider first the interests of the Board in all purchases and seek to obtain the maximum value for each dollar expended; not solicit or accept any gifts or gratuities from present or potential suppliers which might influence or appear to influence purchasing decisions; and refrain from any private business or professional activity that might present a conflict of interest in making purchasing decisions on behalf of the Board.

No person, unless authorized to do so under this policy, may make any purchase or enter into any contract involving the use of school funds. The Board will not approve any expenditure for an unauthorized purchase or contract.

The Board's purchasing policy states that it generally applies to the District's purchase of products and services, except it shall not apply to:

- employment contracts;
- acquisition of architectural, engineering, landscape architectural, construction management at risk, registered surveying and mapping, or other services pursuant to School Board Policy;
- acquisition of auditing services pursuant to Florida Statutes;
- acquisition of professional consultant services, including but not limited to services of lawyers, accountants, financial consultants and other business or operational consultants, which shall be governed by School Board Policy;
- contracts which are exempted, in whole or in part, from the Board's policy requirements.

All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

The district's procedures for procurement transactions ensure that all solicitations:

1. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
2. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

The district ensures that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the district does not preclude potential bidders from qualifying during the solicitation period.

Methods of procurement to be followed The district uses one of the following methods of procurement:

1. Procurement by micro-purchases. Procurement for the acquisition of supplies or services for which the aggregate dollar amount does not exceed the micro-purchase threshold of \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the district will distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the district considers the price to be reasonable. The Board's purchasing policy has historically set purchases \$3,000 or less to be acquired using best price, which fixes this UGG micro-purchase method.
2. Procurement by small purchase procedures. For simple and informal procurements to secure services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold of \$150,000. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. The Board's purchasing policy for purchases between \$3,001 to \$14,999 has historically been to obtain 3 quotes from qualified sources. Since the Board's policy is lower than the UGG threshold, we will continue to apply the Board's lower threshold to the small purchases until the time that the Board approves a higher threshold.
3. Procurement by sealed bids (formal advertising). Procurements selected by bids that are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The Board's policy is to competitively procure with sealed bids or competitive proposals any purchases over \$15,000. We will continue to apply the Board's competitive solicitation thresholds until the time that the Board approves a higher threshold.

Except as authorized by law or policy, competitive solicitations shall be requested from two (2) or more sources for the purchase of any authorized commodities or contractual services in an amount greater than \$15,000.00. The procurement of commodities or contractual services may not be divided so as to avoid this monetary threshold requirement.

The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

- In order for sealed bidding to be feasible, the following conditions should be present:
 - A complete, adequate, and realistic specification or purchase description is available;
 - Two or more responsible bidders are willing and able to compete effectively for the business; and
 - The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
- The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- Any or all bids may be rejected if there is a sound documented reason.

4. Procurement by competitive proposals The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. The Board's policy is to competitively procure with sealed bids or competitive proposals any purchases over \$15,000. We will continue to apply the Board's competitive solicitation thresholds until the time that the Board approves a higher threshold.

Except as authorized by law or policy, competitive solicitations shall be requested from two (2) or more sources for the purchase of any authorized commodities or contractual services in an amount greater than \$15,000.00.

The procurement of commodities or contractual services may not be divided so as to avoid this monetary threshold requirement.

If this UGG method is used, the following requirements apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from an adequate number of qualified sources;
- The district will develop a written matrix for conducting technical evaluations of the proposals received and for selecting recipients;
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- The district may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The

governmental agencies, other district school boards, community colleges, federal agencies, the public or governmental agencies of any state, or from state university cooperative bid agreements when the proposer awarded a contract by another entity defined herein will permit purchases by a district school board at the same terms, conditions, and prices (or below such prices) awarded in such contract, and such purchases are to the economic advantage of the district school board.

- If a bid has been submitted by a vendor/bidder and ultimately lost by the district, there shall be a request of the vendor/bidder to produce official tracking evidence from the U.S. Post Office or other authorized national mail carriers that clearly show the materials were received by the district. After review of tracking evidence, the district may request the vendor/bidder to re-submit the document(s) via district email to the Assistant Superintendent of Business and Finance and/or their designee.
- Bids will be opened in the office designated in the bid advertisement with the Superintendent's designee from the Finance Department, at least one programmatic person involved in implementing the bid, and at least one (1) other District employee present.
- Bid review and resulting recommendations or denials shall be made in writing to the Superintendent and evidenced by Bid review minutes.
- The Board may reject any or all bids and/or request new bids over \$15,000.00.
- The Superintendent may reject any or all bids and/or request new bids for amounts under \$15,000.00
- In acceptance of responses to invitations to bid, the Board may accept the proposal of the lowest responsive, responsible proposer. The Board may also choose to award contracts to the lowest responsive, responsible bidder as the primary awardee of a contract and to the next lowest responsive, responsible bidder(s) as alternate awardees, from whom commodities or contractual services would be purchased, should the primary awardee become unable to provide all of the commodities or contractual services required by the Board during the term of the contract. Nothing herein is meant to prevent multiple awards to the lowest responsive and responsible bidders, when such multiple awards are clearly stated in the bid solicitation documents.
- For a bidder to be considered responsive, the proposal must respond to all bid specifications in all material respects and contain no irregularities or deviations from the bid specifications which would affect the amount of the bid or otherwise provide a competitive advantage.
- For a bidder to be deemed responsible, the Board may request evidence from the bidder concerning:
 - the experience (type of product or service being purchased, etc.) of the bidder;
 - the district's previous experience with the bidder;
 - the financial condition;
 - the bidder's facilities;
 - management skills;
 - the ability to execute the contract properly;
 - a signed affidavit ensuring that neither the bidder nor any subcontractor has entered into an agreement with any labor organization regarding the public improvement project;
 - a signed affidavit ensuring that the bidder or any other subcontractor has no conflict of interest in the bid or the services involved in the bid process or award (this can be done in a contract or a purchase order)

Identical/Tie Low Bids As a requirement of the UGG Section 200.319 paragraph (b), the district is to conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference.

However, nothing in the UGG preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract

For non-Federal funds, when identical low bids are received from an out-of-District vendor and a local vendor, the local vendor shall be recommended for award that is supported by state and local funding. The term "local vendor" means a vendor who has an established business presence in the District indicated by the following: **NOTE: federal awards of bids shall not be determined by local preference,**

- Has a physical business location within the District for at least six (6) months immediately prior to issuance of the competitive solicitation.

- Provides customer access at the business location.
- Holds any required business license through a jurisdiction in the District.
- Employs one (1) full-time or two (2) part-time employees in the District, or if the business has no employees, is at least fifty percent (50%) owned by one (1) or more persons whose primary residence(s) is located within the District.

In the event two (2) or more vendors present exact tie low bids and the dollar award is not a criterion, the successful bidder shall be selected by applying the following criteria in order:

- drug-free workplace program in accordance with Florida law
- State of Florida certified minority business enterprise (MBE)
- State of Florida Department of Management Services certified veteran business
- other method selected by the Board

Award of a bid by the Board shall only represent an indication by the Board that a bid represents the lowest responsive bid from a responsible and responsive bidder meeting the requirements and criteria set forth in the invitation to bid. Award of a bid shall not create a binding obligation on the Board, and no obligation shall be created or imposed on the District until such time as the Board Chair/designee executes a contract. The Board may award a bid which is in the best interest of the district for the services needed to meet the needs identified in the bid.

Bid protests shall be resolved under the procedures set forth below and in conformity with the requirements of Florida Statute and Administrative Code. Filing of a notice of protest or a formal written protest by facsimile will not be permitted.

Any person who claims to be adversely affected by a proposed award of a bid and who has standing to protest an award of a bid, may file a written notice of protest not later than seventy-two (72) hours after the time of the posting of the bid tabulation. For a protest of the terms, conditions and specifications contained in a solicitation, the notice of protest shall be filed in writing within seventy-two (72) hours after the posting of the solicitation. The notice of protest must be filed with the Assistant Superintendent of Business and Finance. In addition to filing a notice of protest, a protesting bidder must file a formal written protest.

The formal written protest must be filed with the Assistant Superintendent of Business and Finance within ten (10) days following the day of filing of the notice of protest. Failure to file the formal written protest within the time prescribed by Florida Statutes, shall constitute a waiver of proceedings under Florida Statutes and a waiver of the protest.

The Formal Written Protest shall state with particularity the facts and law upon which the protest is based and shall be in petition form, as required by Florida Administrative Code.

Failure to file a notice of intent to protest, or failure to file a formal written protest, within the times prescribed in Florida Statutes, shall constitute a waiver of proceedings under Florida Statutes.

A protesting bidder shall post, at the time of filing the formal written protest, a bond payable to the Board in an amount of two percent (2%) of the lowest accepted bid for projects values over \$500,000; and five percent (5%) of the lowest accepted bid for all other projects. The bond shall be conditioned upon the payment of all costs that may be adjudged against the protester in the administrative hearing and in any subsequent appellate court proceeding. If, after completion of the administrative hearing process and any appellate court proceedings, the Board prevails, it shall recover all costs and charges, which shall be included in the final order or judgment, including charges made by the Division of Administrative Hearings and attorney's fees. If the protester prevails, s/he shall recover from the District all costs and charges which shall be included in the final order of judgment, and attorney's fees. The bid protest bond may be secured by a certified check drawn on an approved financial institution or a surety licensed to conduct business in the State of Florida by the Florida Department of Insurance.

The Board shall provide an informal meeting with the protestor to attempt to resolve the protest. Such meeting will be held within seven (7) days, excluding Saturdays, Sundays and legal holidays, from the day of the filing of the formal written protest.

If the protest is not resolved by mutual agreement within seven (7) days of the filing of the formal written protest, and if there is no disputed issue of material fact, the Board shall conduct an informal proceeding pursuant to Florida Statutes

If the protest is not resolved by mutual agreement within seven (7) days of the filing of the formal written protest, and if there is a disputed issue of material fact, the Superintendent shall refer the bid protest to the Division of Administrative Hearings for a formal hearing, pursuant to Florida Statutes.

The Board shall enter its final order within thirty (30) days from the date of the entry of the recommended order, unless otherwise agreed to by the parties to the bid protest.

The filing of a formal written protest shall suspend the Board's contract award process until the protest is resolved. However, the Board may set forth in writing particular facts and circumstances which require the continuance of the contract award process without delay, in order to avoid an immediate or serious danger to public health, safety, or welfare. In such event, the Board will only purchase supplies or commodities that are necessary to the operation of any school or the maintenance of any service without causing an immediate or serious danger to the health, safety, or welfare of students, employees, of the general public.

In the event of a conflict, the applicable provisions of Florida Statutes shall prevail over the provisions of this policy.

Cone of Silence – A cone of silence by all district employees is hereby established for all competitive selection processes including Invitations for Bids (IFB), Request for Proposals (RFP), and Invitations to Negotiate (ITN) for the provision of goods and services. The cone of silence is designed to protect the integrity of the procurement process by shielding it from undue influences prior to the recommendation of contract award. This cone of silence shall be imposed on these procurements after advertisement of same.

The cone of silence prohibits any communication regarding a particular IFB, RFP, or ITN between:

- a potential vendor, service provider, bidder, lobbyist, or consultant and the staff of the District, including school principals; and
- a potential vendor, service provider, bidder, lobbyist, or consultant and any one (1) or more of the Board members or member-elects.

Unless specifically provided otherwise in the applicable IFB, RFP, or ITN the cone of silence does not apply to the following:

1. Communications between a potential vendor, service provider, bidder, lobbyist, or consultant and the District's purchasing department.
2. Communications between a potential vendor, service provider, bidder, lobbyist, or consultant and the District's planning and construction department, when said communication pertains to competitive acquisitions administered by that department (e.g., Architect/Engineer (A/E) selection, capital projects).
3. Communications between a potential vendor, service provider, bidder, lobbyist, or consultant and the District's staff attorney or School Board attorney.
4. Communications at duly noticed pre-bid meetings and site visits prior to bid opening or post bid-opening meetings and site visits, which are administered by either the purchasing department or the planning and construction department, prior to issuance of a written recommendation of contract award.

The cone of silence commences after the advertisement of the IFB, RFP, or ITN. Competitive procurements are advertised in the newspaper of general circulation and/or on the webpage of the department issuing the IFB, RFP, or ITN.

The cone of silence terminates at the time the Board acts on a written recommendation from the department issuing the IFB, RFP, or ITN regarding contract award; provided, however, that communications are permitted when the Board receives public comment at the meeting when the recommendation is presented.

The purchasing department and planning and construction department shall ensure that all solicitations include provisions describing the requirements and prohibitions of the cone of silence, including how a potential vendor, service provider, bidder, lobbyist, or consultant may communicate with District personnel.

Any person, whether employed by the District or not, who knowingly violates a provision of this policy shall be prohibited from serving on a District competitive selection committee.

Violation of this policy by a particular bidder, proposer, respondent, and/or representative may, at the discretion of the District, result in rejection of said bidder, proposer, respondent, and/or representative's bid, proposal, or offer and may render any contract award to said bidder, proposer, or respondent voidable.

In addition to any other penalty provided by law, violation of this policy by a District employee shall subject said employee to disciplinary action up to and including dismissal from service.

Exception to Competitive Bidding Requirements -Notwithstanding anything herein to the contrary, there shall be no requirement to solicit bids and any such requirement is expressly waived for the following:

1. Purchases made at or below the unit prices in contracts awarded by other Federal, State, city or county governmental agencies, other school boards, community colleges, or State university system cooperative bid agreements when the bidder awarded a contract by another entity will permit purchases by the Board at the same terms, conditions, and unit prices awarded in such contract, and such purchases are to the economic advantage of the Board (piggy-backing on another state or Florida School district contract).
2. Purchases made from prices established by the Department of Management Services, Division of Purchasing through its State negotiated agreement price schedule.
3. Pool purchases made as provided in Florida Statute.
4. Purchases by the Board of professional services which shall include, without limitation, artistic services; academic program reviews; lectures by individuals; auditing services not subject to specific Florida Statutes; legal services, including attorney, paralegal, expert witness, court reporting, appraisal or mediator services; and health services involving examination, diagnosis, treatment, prevention, medical consultation or administration; provided nothing herein shall be deemed to authorize the superintendent to acquire professional consultant services without Board approval as required by Board Policy.
5. The purchase by the Board of educational services and any type of copyrighted materials including, without limitation, educational tests, textbooks, printed instructional materials, computer software, films, filmstrips, videotapes, DVDs, disc or tape recordings, digital recordings, or similar audio-visual materials, and for library and reference books, and printed library cards where such materials are purchased directly from the producer or publisher, the owner of the copyright, an exclusive agent within the state, a governmental agency or a recognized educational institution.
6. The requirements for requesting competitive solicitations for making purchases for commodities and contractual services as set forth in this section are hereby waived as authorized by F.S. 1010.04(4)(a), when the following conditions have been met by the Board:
 7. Competitive solicitations have been requested in the manner prescribed by this policy.
 8. The Board has made a finding that no valid or acceptable firm proposal has been received within the prescribed time.
 - When such a finding has been officially made, the Board may enter into negotiations with suppliers of such commodities and contractual services and may execute contracts with such vendors under whatever terms and conditions as the Board determines to be in its best interests.
9. If fewer than two (2) responsive proposals for commodity or contractual services are received, the Board may negotiate on the best terms and conditions or decide to reject all proposals. The Board shall document the reasons that negotiating terms and conditions with the sole proposer is in the best interest of the District in lieu of re-soliciting proposals.
10. Acquisition of information technology resources, whether by purchase, lease, lease with option to purchase, rental, or otherwise as defined in Florida Statute, may be by direct negotiation and contract with a vendor or supplier, as best fits the needs of the District as determined by the Board.
11. Purchases of insurance, risk management programs, or contracting with third party administrators for insurance-related services.
12. Purchases of food products, required by the Board's food service program and other ancillary food operations, which are exempt pursuant to Florida Administrative Code.
13. Emergency purchase of commodities or contractual services when the Superintendent determines in writing that an immediate danger to the public health, safety, or welfare or other substantial loss to the District requires emergency action. After the Superintendent makes such a written determination, the Board may proceed with the procurement of commodities or contractual services necessitated by the immediate danger, without requesting competitive solicitations. However, such an emergency purchase shall be made by obtaining pricing information from at least two (2) prospective vendors, which must be

retained in the contract file, unless the Superintendent determines in writing that the time required to obtain pricing information will increase the immediate danger to the public health, safety, or welfare or other substantial loss to the District.

14. Commodities or contractual services available only from a single source may be exempt from the competitive solicitation requirements. When the Board believes that commodities or contractual services are available only from a single source, the Board shall electronically post a description of the commodities or contractual services sought for a period of at least five (5) days. The description must include a request that prospective vendors provide information regarding their ability to supply the commodities or contractual services described. If it is determined in writing by the Board, after reviewing any information received from prospective vendors, that the commodities or contractual services are available only from a single source, the Board shall provide notice of its intended decision to enter a single source contract in the manner specified in Florida Statutes and may negotiate on the best terms and conditions with the single source vendor.
15. Direct purchases of construction project material by the District, on behalf of the awarded construction contractor/manager, directly from vendors to take advantage of the District's "sales tax" exempt status.
16. A contract for commodities or contractual services may be awarded without competitive solicitations if State or Federal law, a grant or a State or Federal agency contract prescribes with whom the Board must contract or if the rate of payment is established during the appropriations process.
17. A contract for regulated utilities or government franchised services may be awarded without competitive solicitations.

Decision - The Superintendent will give notice of a decision or intended decision by posting on the district's website. All such notices shall contain the following statement "Failure to file a protest within the time prescribed in Florida Statutes, shall constitute a waiver of proceedings under Florida Statutes." This caveat should also be part of any bid / proposal documents.

Contracts shall be approved and executed as follows:

The Superintendent is authorized to approve and execute contracts on behalf of the District involving expenditure of public funds in an amount no greater than \$15,000.00 so long as the obligation created does not exceed the applicable appropriation within the District budget and the contract is otherwise in compliance with applicable District procedures, policies, and law. For purposes of this policy, any group of contracts or purchase orders to the same provider that are connected in terms of time, location and services such that a reasonable person would view them as a single contract shall be deemed to be a single contract. The Superintendent shall not divide the procurement of goods or contractual services so as to avoid the monetary cap imposed by this policy. Designations of contracting authority by the Superintendent shall be in writing and shall specify the maximum obligation permitted up to \$15,000.00.

Board Approval - Except as expressly provided herein, the Board shall approve and execute all contracts on behalf of the District involving expenditure of public funds in an amount greater than \$15,000.00.

Purchase Order Approval - The Superintendent is authorized to issue purchase orders in accordance with bids awarded pursuant to below without further action of the Board so long as the obligation created does not exceed the applicable appropriation within the District budget. The Superintendent shall inform the Board of the approval of all purchase orders greater than \$10,000, as soon as reasonably possible by a written report issued to the Board at a public meeting. This paragraph shall not be construed to require Board approval of purchase orders

Contracts - The approval of a contract in accordance with this policy authorizes the Superintendent to approve and issue any purchase order required to fulfill the District's obligation under the approved contract without further action of the Board. Further, the Board authorizes payment of an invoice received, pursuant to an approved purchase order, in the amount not to exceed an additional fifteen percent (15%) of the approved purchase order. The Superintendent shall inform the Board of the approval of all purchase orders greater than \$7,500.00, as soon as reasonably possible by a written report issued to the Board at a public meeting. This paragraph shall not be construed to require Board approval of purchase orders.

Emergency Purchases - Notwithstanding the general limit on the Superintendent's authority to enter into contracts involving expenditure of public funds in an amount no greater than \$15,000.00, the Superintendent is authorized to approve and execute contracts on behalf of the District involving expenditure of public funds in an amount greater than \$15,000.00 when the Superintendent determines in writing that an immediate danger to the public health, safety, or welfare or other substantial loss to the School District requires emergency action.

Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. The district takes all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. These affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

Procurement of recovered materials Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act contains provision for procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. The UGG requires that district purchasing procedures comply with legal requirement for district purchases as well as contractors doing business with the district.

Contract cost and price. The district will perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold of \$150,000 including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the district will make independent estimates before receiving bids or proposals.

The district will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of the UGG. The district may reference its own cost principles that comply with the Federal cost principles.

The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used and is considered unallowable when using Federal funds.

Federal awarding agency or pass-through entity review. The district will make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the district desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

The district will make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

1. The district's procurement procedures or operation fails to comply with the procurement standards in the UGG;

2. The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
3. The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;
4. The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
5. A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

The district is exempt from the pre-procurement review listed above if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the procurement standards in the UGG either by review by the Federal awarding agency or self-certification

Bonding requirements For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold of \$150,000, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the district provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
2. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

Acquisition of Professional Architectural, Engineering, Landscape Architectural, or Land Surveying Services

The School Board is authorized to employ procedures to contract for the construction of new facilities, or for additions, remodeling, renovation, maintenance, or repairs to existing facilities by licensed professionals pursuant to Florida Statutes.

Project procedures include: (1) Projects that constitute minor construction, rehabilitation, or renovation activities and (2) Projects that constitute substantially similar construction, rehabilitation, or renovation activities.

The purpose of the design criteria package is to furnish sufficient information to permit design-build firms to prepare a bid or a response to the Board's request for proposal, or to permit an agency to enter into a negotiated design-build contract.

The design criteria package must specify performance-based criteria for the public construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, storm water retention and disposal, and parking requirements applicable to the project.

Professional Service Advisory Committee (PSAC) shall be comprised of one (1) Board member, one (1) designee of the Superintendent, the Director of Facilities or his/her designee, one (1) representative from operation services, one (1) program/staff representative, as well as any additional members deemed appropriate by the Superintendent.

1. The Board shall annually appoint one (1) of its members to serve on the PSAC, and shall also designate one (1) of its members as an alternate, who shall attend PSAC meetings when and if the designated member cannot.
2. The Superintendent shall appoint his/her designee, the representative of operations services, the program/staff representative.

3. The Superintendent shall appoint additional members as s/he deems appropriate given a particular project.
4. The Director of Facilities, or his/her designee, shall chair the PSAC.

The Board shall publicly announce, in a uniform and consistent manner, each occasion when professional services are required to be purchased for a project the basic construction cost of which is estimated by the Board to exceed the maximum amount established in State law for Category 5, which is \$350,000, or for planning or study activity when the fee for professional services exceeds the maximum amount established in State law for Category 2, which is \$35,000, except in cases of valid public emergencies so certified by the Board.

The public notice shall include a general description of the project and shall indicate how interested consultants may apply for consideration.

Local contractors are encouraged to submit proposals, and contractors are encouraged to offer bidding opportunities to local subcontractors.

The Board shall encourage firms engaged in the lawful practice of their professions that desire to provide professional services to the Board to submit annual statements of qualifications and performance data. Failure to submit a RFQ (Request for Qualifications) shall not preclude the Board from purchasing services from any firm engaged in the lawful practice of its profession.

Any firm or individual desiring to provide professional services to the Board must first be certified by the Board as qualified pursuant to law and the regulations of the Board.

1. The Board shall make a finding that the firm or individual to be employed is fully qualified to render the required service.
2. Among the factors to be considered in making this finding are the capabilities, adequacy of personnel, past record, and experience of the firm or individual.

The Superintendent shall develop administrative procedures for the evaluation of professional services, including, but not limited to, capabilities, adequacy of personnel, past record, experience, whether the firm is a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act of 1985, and such other factors as may be determined by the Board to be applicable to its particular requirements. When securing professional services, the Board shall endeavor to meet the minority business enterprise procurement goal set forth in Florida Law.

The public shall not be excluded from these proceedings.

For each proposed project, the PSAC shall evaluate current statements of qualifications and performance data on file, together with those that may be submitted by other firms regarding the proposed project, and shall conduct discussions with, and may require public presentations by, no fewer than three (3) firms, regarding their qualifications, approach to the project, and ability to furnish the required services.

The PSAC shall select in order of preference no fewer than three (3) firms deemed to be the most highly qualified to perform the required services. In determining whether a firm is qualified, the PSAC shall consider such factors as:

1. the ability of professional personnel;
2. whether a firm is a certified minority business enterprise;
3. past performance;
4. willingness to meet time and budget requirements;
5. location;
6. recent, current, and projected workloads of the firms; and
7. the volume of work previously awarded to each firm by the Board, with the object of effecting an equitable distribution of contracts among qualified firms, provided such distribution does not violate the principle of selection of the most highly qualified firms.

The Committee may request, accept, and consider proposals for the compensation to be paid under the contract only during competitive negotiations noted below:

If, in using another procurement process, the majority of the compensation proposed by firms is in excess of the appropriate threshold amounts in Florida Law, the Board shall reject all proposals and reinstate the procurement pursuant to statute.

The Board shall evaluate qualifications of a minimum of three (3) finalists by considering the written materials submitted by the applicants, performance data on file with the District, materials submitted by other firms or individuals, and the evaluation of the PSAC.

- Although the Board shall consider the evaluation of the PSAC, such evaluation shall not be binding on the Board.
- The Board retains the authority to re-rank the three (3) finalists.
- Nothing in this rule shall be construed to prohibit a continuing contract between a firm and Board.

A tentative contract shall be negotiated with the most qualified firm for professional services at compensation which the Board's designee(s) determine(s) is fair, competitive, and reasonable. In making such determination, the Board's designee(s) shall conduct a detailed analysis of the cost of the professional services required in addition to considering their scope and complexity. For any lump-sum or cost-plus-a-fixed-fee professional service contract that exceeds the maximum amount established by State law for Category 4 (\$195,000), the Board shall require the firm receiving the award to execute a truth-in-negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of contracting. Any professional service contract under which such a certificate is required shall contain a provision that the original contract price and any additions thereto shall be adjusted to exclude any significant sums by which the Board determines the contract price increased due to inaccurate, incomplete, or non-current wage rates and other factual unit costs. All such contract adjustments shall be made within (1) year following the end of the contract.

Should the Board's designee(s) be unable to negotiate a satisfactory tentative contract with the firm considered to be the most qualified at a price the Board's designee(s) determines to be fair, competitive, and reasonable negotiations with that firm shall be formally terminated. The Board's designee(s) shall then undertake negotiations with the second most qualified firm. Failing tentative accord with the second most qualified firm, the Board's designee(s) shall terminate negotiations. The Board's designee(s) shall then undertake negotiations with the third most qualified firm.

Should the Board's designee(s) be unable to negotiate a satisfactory tentative contract with any of the selected firms, the Board's designee(s) shall select additional firms in the order of their competence and qualification and continue negotiations in accordance with this subparagraph until a tentative agreement is reached or shall be re-advertised.

When the Board's designee(s) successfully negotiates a tentative contract with a firm considered to be fully qualified at a price the Board's designee(s) determines to be fair, competitive, and reasonable, the tentative contract will be presented to the Superintendent for his/her review and recommendation to the Board. The Board shall either approve or disapprove the tentative contract. Upon Board approval, the approved contract shall be duly executed.

Each contract entered into by the Board for professional services shall contain a prohibition against contingent fees as required by Florida Law.

The Board will award design-build contracts by the use of a competitive proposal selection process as described in this section, or by the use of a qualifications-based selection process pursuant to sections above, for entering into a contract whereby the selected firm will, subsequent to competitive negotiations, establish a guaranteed maximum price and guaranteed completion date.

If the Board elects the option of qualifications-based selection, during the selection of the design-build firm the Board will employ or retain a licensed design professional appropriate to the project to serve as the Board's representative.

Procedures for the use of a competitive proposal selection process must include as a minimum the following:

1. The preparation of a design criteria package for the design and construction of the public construction project.
2. The design criteria package must be prepared and sealed by a design criteria professional employed by or retained by the Board.
 - a. If the Board elects to enter into a professional services contract for the preparation of the design criteria package, then the design criteria professional must be selected and contracted with under the requirements of sections above.

- b. A design criteria professional who has been selected to prepare the design criteria package is not eligible to render services under a design-build contract executed pursuant to the design criteria package.
3. The qualification and selection of no fewer than three (3) design-build firms as the most qualified, based on the qualifications, availability, and past work of the firms, including the partners or members thereof.
4. The criteria, procedures, and standards for the evaluation of design-build contract proposals or bids, based on price, technical, and design aspects of the public construction project, weighted for the project.
5. The solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design-build firms and the evaluation of the responses or bids submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.
6. For consultation with the employed or retained design criteria professional concerning the evaluation of the responses or bids submitted by the design-build firms, the supervision or approval by the Board of the detailed working drawings of the project; and for evaluation of the compliance of the project construction with the design criteria package by the design criteria professional.

In the case of public emergencies, the Board may declare an emergency and authorize negotiations with the best qualified design-build firm available at that time.

Notwithstanding any other provisions of this policy, there shall be no public notice requirement or utilization of the selection process as provided in this policy for projects in which the Board is able to reuse existing plans from a prior project. However, public notice for any plans which are intended to be reused at some future time shall contain a statement which provides that the plans are subject to reuse in accordance with the provisions of Florida Law

The protest procedure described previously in these procedures are to be followed for acquisition of professional architectural, engineering, landscape architectural, or land survey services competitively bid as well.

Contract provisions.

The district's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards in the UGG.

Debarment - The Assistant Superintendent of Business and Finance shall have the authority to debar a person/corporation, for cause, from consideration or award of further contracts. The debarment shall be for a period commensurate with the seriousness of the cause, generally not to exceed three (3) years. If suspension precedes a debarment, the suspension period shall not be considered in determining the debarment period. When the offense is willful or blatant, a longer term of debarment may be imposed, up to an indefinite period.

Causes of Debarment include, but are not limited to the following:

1. conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or sub-contract, or in performance of such contract;
2. conviction under State or Federal statutes for embezzlement, theft, forgery, bribery, falsification or destruction of records, or receiving stolen property, or any other offense indicating lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a vendor;
3. conviction under State or Federal anti-trust statutes arising out of submission of bids or proposals;
4. violation of contract provisions, include:
5. deliberate failure, without good cause, to perform in accordance with specifications or within the time limits provided in the contract(s);
6. a recent record of failure to perform, or of unsatisfactory performance, in accordance with the terms of one (1) or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;
7. failure to provide bonds, insurance or other required certificates within the time period as specified in bid/RFP response;
8. refusal to accept a purchase order, agreement, or contract, or to perform thereon, provided such order was issued timely and in conformance with the offer received;
9. presence of principals or corporate officers in the business of concern who were principals within another business at the time when the other business was suspended within the last three (3) years under the provisions of this section;
10. violation of the ethical standards set forth in State law;

11. providing or offering to provide anything of value, including, but not limited to, a gift, loan, reward, promise of future employment, favor or service to any employee to influence the award of contract or purchase items from a contractor;
12. existence of unresolved disputes between the contractor and the District arising out of or relating to prior contracts between the District and the contractor, work performed by the contractor, or services or products delivered;
13. any other cause the district Assistant Superintendent of Business and Finance determines to be so serious and compelling as to affect credibility as a District vendor, including debarment by another governmental entity for any cause listed in this policy.

The Assistant Superintendent of Business and Finance shall issue a notice letter that advises the party that it is debarred or suspended. The letter shall:

1. state the reason(s) for the action taken; and
2. inform the vendor of its right to petition the Board for reconsideration.

Right to Request a Debarment Hearing - Any person who is dissatisfied or aggrieved with the notification of the determination to debar or suspend must, within ten (10) calendar days of such notification, appeal such determination to the Board. The Board shall schedule a hearing at which time the person shall be given the opportunity to demonstrate why the debarment/suspension by the Director of Purchasing should be overturned. All parties shall be given notice of the hearing date.

Standards of Ethical Conduct -No staff member shall have any interest, financial or otherwise, direct or indirect; engage in any business transaction or professional activity; or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties in the public interest.

An effective educational program requires the service of men and women of integrity, high ideals, and human understanding. The School Board expects all staff members to maintain and promote these essentials. Furthermore, the Board has established the following as the standards of ethical conduct for all staff members in the District who have direct access to students.

Adherence to Standards of Conduct – evaluation of performance against District Standards of Conduct and addressing deviations from standards in a timely manner, including zero tolerance.

- Administrators shall report deficiencies identified in internal control system to senior administrators.
- Senior administrators shall provide direction to remediate deficiencies.

Conflict of Interest – The new UGG requirements have two sections (200.112 and 200.318) that speak to conflicts of interest. The distinction is Section 200.112 indicates that a non-Federal entity must disclose in writing any potential conflicts of interest to the federal awarding agency or pass-through entity in accordance with applicable federal awarding policy. Section 200.318 provides the mandatory conflict of interest language that each non-Federal entity must have. Each section is stated below.

UGG Section 200.112, the Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

UGG Section 200.318 (c)(1) states the non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. UGG Section 200.318 (c) (2) states if the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest..

This means that in general, two types of conflict of interest procedures must be maintained by the Non-Federal entity.

1. Employee Conflict of Interest – The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts.

To incorporate this type of conflict of interest, this procedure is incorporated by direct reference the Federal guidelines standard language that provides the following - no employee, officer, or agent can participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest 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 or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontractors. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

2. Organizational Conflict of Interest – As stated in the overview section at the beginning of this document, this is a new requirement by the UGG. If the non-Federal agency has a parent, affiliate, or subsidiary organization that is not a state government, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest occur when relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving the related organization.

Analysis of these relational circumstances may indicate that a parent could be considered FDOE because they are our cognizant agency for which funds pass to us. Since they are a State government, they are part of the exclusions listed above. The district does not have any affiliates and the subsidiary organizations that are part of our reporting entity in defined by GASB reporting standard would be the charter schools. However, we pass through the funds received from FDOE and do not make procurements for them in our business office. They are not for profit corporations with their own accounting and business functions. They are audited by an independent external auditor each year. Since we do not make purchases for either of these organizations, there is no organizational conflict of interest in the procurement area.

As for the district's conflict of interest procedures, it is imperative that the proper performance of school business is dependent upon high standards of honesty, integrity, impartiality, and professional conduct by School Board employees. Further, such characteristics are essential to the Board's commitment to earn and keep the public's confidence. For these reasons, the Board adopts the following procedures to assure that conflicts of interest do not occur. These procedures are not intended to be all inclusive, or to substitute for good judgment on the part of all employees.

No employee shall engage in or have a financial interest, directly or indirectly, in any activity or procurement that conflicts with the employee's job duties and responsibilities in the school system.

No staff member shall have any interest, financial or otherwise, direct or indirect; engage in any business transaction or professional activity; or incur any obligation of any nature which is in substantial conflict with the proper discharge of his/her duties in the public interest.

Employees shall not engage in business, private practice of their profession, the rendering of services, or the sale of goods of any type where advantage is taken of any professional relationship they may have with any student, client, or parents of such students or clients in the course of their employment with the District. Included, by way of illustration rather than limitation, are the following:

7. the provision of any private lessons or services for a fee;
 8. Staff members who tutor students within their school unit and receive compensation for this work shall have prior approval of their principal;
 9. Staff members may not accept fees for remedial tutoring of students currently enrolled in one (1) or more of their classes for which a grade is given;
 10. the use, sale, or improper divulging of any privileged information about a student or client gained in the course of the employee's employment or through his/her access to District records;
 11. the referral of any student or client for lessons or services to any private business or professional practitioner if there is any expectation of reciprocal referrals, sharing of fees, or other remuneration for such referrals;
- and

12. the requirement of students or clients to purchase any private goods or services provided by an employee or any business or professional practitioner with whom any employee has a financial relationship, as a condition of receiving any grades, credits, promotions, approvals, or recommendations.

Employees shall not make use of materials, equipment, or facilities of the District in private practice. Examples would be the use of facilities before, during, or after regular business hours for service to private practice clients, or the checking out of items from an instructional materials center for private practice.

School Board members, employees, students, as well as contractors, vendors, and/or agents, of the District may use their personal computer or web-enabled device of any type to access the District's server and internal network while they are on-site at any District facility, provided the computer and web-enabled device meets the established standards for equipment used to access said server and network, and the individual granted access complies, without exception, with the established standards for appropriate use of the District's server and network.

Access to the standards for connecting to the District's server and network using a personal computer or web-enabled device of any sort shall be provided upon request for all to whom this policy applies.

Establishment, and subsequent enforcement, of the standards is intended to minimize the potential exposure to the District from damages, including, but not limited to, the loss of sensitive District data, illegal access to confidential data, damage to the District's intellectual property, damage to the District's public image, and damage to the District's critical internal systems, from unauthorized use.

Any Board member, employee, student, contractor, vendor, and/or agent of the District who violates the established standards, who violates the District's Acceptable Use policy, or who accesses the server and network without authorization may be subject to disciplinary action, up to and including expulsion, if a student, termination of employment if a District employee, denial of access if a School Board member, or cancellation of the contract with the District if a contractor, vendor or agent. Any Board member, employee, student, contractor, vendor, and/or agent of the District who violates the established standards or who violates the District's Acceptable Use policy may be denied access to the District's server and network in the future.

All property shall be acquired through proper purchasing procedures either through federal, state, or local funds, or through donations from outside sources. All property, however, including vehicular equipment shall be in the name of the School Board of Gadsden County, Florida and under its full control. All property acquired from sources other than county school funds, such as PTA donations, shall be reported promptly, in accordance with procedures established for property accountability.

Property shall not be taken from any school building or premises for private use. Property may be lent to employees, outside agencies, or organizations only with the prior written approval of the principal or department head.

The Board shall not accept a gift of art unless the cost of installation, operation, and maintenance is consistent with the value of the gift to the school. This gift will require approval of a committee approved by the Superintendent and shall include at least one (1) person trained in the field of art.

Whistleblower Protection - The School Board expects all its employees to be honest and ethical in their conduct, and to comply with applicable State and Federal law, Board policies and administrative procedures. Pursuant to State law, the Board expects support staff members to report any violation or suspected violation of any Federal, State or local law, policy, or regulation committed by any employee, or agent of an agency or independent contractor which is doing business with the Board, which creates and presents a substantial or specific danger to the public's health, safety, or welfare to their immediate supervisors.

Additionally, pursuant to State law, support staff members are expected to report any act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty committed by an employee or agent of an agency or independent contractor which is doing business with the Board.

It is the responsibility of an employee who is aware of conduct on the part of any Board member or employee that possibly violates Federal or State law, or Board policy, to call this conduct to the attention of his/her immediate supervisor. If the employee's immediate supervisor is not responsive or is the employee whose behavior is in question, the employee should report the alleged misconduct to the Superintendent.

After such a report is made, the immediate supervisor will ask that the employee's report be put in writing. Any employee making such a report shall be protected from discipline, retaliation, or reprisal for making such report as long as the employee made a reasonable and good faith effort to determine the accuracy of any information reported. Employees are subject to disciplinary action, up to and including termination, for purposely, knowingly, or recklessly making a false report under this policy. Conversely, employees are subject to disciplinary action, up to and including termination, if they are aware of a violation of Federal, State, or local law that the Board has the authority to correct and they do not make a report confirmed in writing to their immediate supervisor.

If the alleged misconduct that is reported involves a Board member or the Superintendent, the report is to be filed directly with the Board Attorney who is hereby authorized to engage outside counsel to conduct the investigation concerning the alleged misconduct.

Upon receipt of a report made by a staff member pursuant to this policy, an investigation shall be conducted by the Superintendent or Board Attorney consistent with the procedures described in F.S. 112.3189.

The 2015 DW 0001- Fraud procedures also apply to employee conduct.

REFERENCE

References: Uniform Grant Guidance (UGG) Sections: 200.303; Federal Government Green Book Internal Controls; First Amendment, U.S. Constitution; Florida Constitution, Article 1, Section 4; Florida Statutes (F. S.) 112, 112.0455, 112.313, 112.3187, 112.3189, 120.569, 120.57(3), 218.391, 255.05, 255.0516, 255.0518, 282.0041(15), 287.042, 287.055, 287.055(4)(c), 287.055(6), 287.055 (10)287.084, 287.087, 287.14, 287.16, 295.187, 471, 471.023, 481, 481.219, 481.319, 489.119, 943.0585(4)(c), 943.059(4)(c), 1001.32, 1001.42, 1001.42(6), 1001.43, 1003.43, 1001.452, 1001.52, 1003.4505, 1006.27, 1006.32, 1010.04, 1010.04(4)(a), 1010.07(2), 1010.48, 1011.09, 1011.18, 1012.23, 1012.45, 1012.798, 1013.46; Florida Administrative Code (F.A.C.), 6A-1.0012, 6A-1.012, 6A-1.085, 6A-1087, 6A-1.09982, 6A-3.0141, 6A-3.0151, 6A-3.017, 6A-7.0411(2)*i)(2), 6B-1.001, 6B-1.006; F.A. C. Chapter 28-106 – 110; General Accounting Standards Board (GASB); 34 Code of Federal Reporting (C.F.R.) Part; 49 C.F. R., Part 40 and Part 382; Gadsden County School Board Policy 1121.01, 1129, 2125, 3128, 3121.91, 3129.01, 4107.01, 4121.01, 4129, 4129.01, 4210, 4211, 4310, 5830, 6110, 6144, 6320, 6324, 6326, 6540, 6550, 6610, 6830, 7320, 7540, 7542, 8475, 8600.04, 9211, 9900 .

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 43309, July 22, 2015]

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 54409, Sept. 10, 2015]

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 10a

DATE OF SCHOOL BOARD MEETING: January 26, 2016

TITLE OF AGENDA ITEMS: Permission to Trade International Bus

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

In accordance with Sections 274.04, 274.05 and 274.06, Florida Statutes, Board approval is requested to delete and trade the referenced International.

TRADE:

VIN #	Purchase Price	Inventory Tag #	Veh. #	Mileage
1BAKGCKAX7F239195	\$51,106.00	200213	02-85	184278

(See attached request from Director of Transportation)

FOR: Sheriff's Department Vehicle:

VIN #	Make	Model	Year	Mileage
1FMEU63E48UA63431	Ford	Explorer (Silver)	2008	165431

TOTAL NUMBER OF VEHICLES 1

REVENUE: Applicable Funds

AMOUNT: \$0.00

PREPARED BY: Bruce James

POSITION(s): Coord. Safety, Investigation & Property

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

DIST: 20 FY: 16 2. FIXED ASSETS TIME: 09:06
 INMB: 00200213

ITEM INVR ----- DESCRIPTION ----- SERIAL # -----
 5000015 BUSES 1HVBBAA02H536819

TANDEDY MODEL # VDR V 999999999 VENDOR INFO: TELNIS
 Y 02 MFG: M 000000400 INTERNATIONAL
 VEN: 02 85 TAG: 198462 TITLE: _____

LOCATED CNTR: 9003 TRANS. DEPT-SCHOOL BD GADSDEN DEPT: ___ BLD: 00 RM: 0000

ACQUISIT: BAIL # 0 # CHECK# OLG OWN CNTR OBJ-FND-PROJECT ----- AMOUNT
 030602 _____ 0 _____ 51,106.00

MAINT CONTRACT: _____
 COMMENTS SPARE TOTAL COST: 51,106.00

STATUS INV DT CN ---DISPOSITION--- DISP DT LIF ACCUM DEPR: 51,106.00
 _____ G 07 REMOVED 120515 10 CURR VAL: .00

IF SOLD DATE: _____ RECEIPT NO: _____ SALVAGE: _____
 SOLD FOR: _____

RECORD HAS BEEN UPDATED. NEXT ? TERML: PAJ

4-© § 1 Sess-1 199.44.72.2 TW1H0149 2/41



Bruce James <jamesbr@gcpsmail.com>

GCSO Surplus Vehicles

1 message

Gerald Gay <gayg@gcpsmail.com>

Tue, Nov 10, 2015 at 9:27 AM

To: Bruce James <jamesbr@gcpsmail.com>

Bruce,

We are seeking permission to trade a 2002 school bus for two fleet vehicles. We have disclosed to the Sheriffs department that the bus uses a lot of oil . We have pulled it from the everyday fleet because of the tremendous amount of oil that it is burning.

The two fleet vehicles will be used by transportation to deliver mail , board packets and to replace the director's vehicle used for morning and afternoon supervision of routes.

The current vehicle used by the director has 260,000 miles and is not in good working condition.

Thanks,
AG

GERALD A. GAY III , M. Ed.

Director of Transportation
Gadsden County Schools
gayg@gcpsmail.com

STATE OF FLORIDA

IDENTIFICATION NUMBER 1HVBBAANO2H536819	YR 2002	MAKE INTL	MODEL	BODY BU	WT-L-BHP	VESSEL REGIS. NO.	TITLE NUMBER 85177091
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REGISTERED OWNER

**GADSDEN COUNTY SCHOOL BOARD
35 MARTIN LUTHER KING JR BLVD
QUINCY FL 32351**

DATE OF ISSUE

03/08/2002

02-85

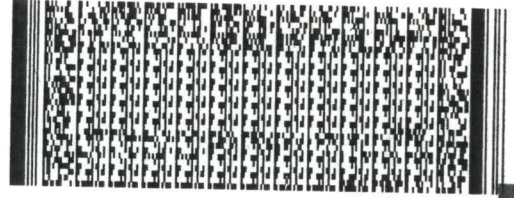
LIEN RELEASE
INTEREST IN THE ABOVE DESCRIBED VEHICLE IS
HEREBY RELEASED

BY _____

MAIL TO:

**GADSDEN COUNTY SCHOOL BOARD
35 MARTIN LUTHER KING JR BLVD
QUINCY FL 32351-4411**

TITLE _____ DATE _____



CERTIFICATE OF TITLE

SATISFACTORY PROOF OF OWNERSHIP HAVING BEEN SUBMITTED UNDER SECTION 319.23/228.02, FLORIDA STATUTES, TITLE TO THE MOTOR VEHICLE OR VESSEL DESCRIBED BELOW IS VESTED IN THE OWNER(S) NAMED HEREIN, THIS OFFICIAL CERTIFICATE OF TITLE IS ISSUED FOR SAID MOTOR VEHICLE OR VESSEL.

IDENTIFICATION NUMBER 1HVBBAANO2H536819	YR 2002	MAKE INTL	MODEL	BODY BU	WT-L-BHP	VESSEL REGIS. NO.	TITLE NUMBER 85177091
PREV STATE N	COLOR	PRIMARY BRAND	SECONDARY BRAND	NO OF BRANDS	USE PVT	PREV ISSUE DATE	DATE OF ISSUE 03/08/2002
ODOMETER STATUS OR VESSEL MANUFACTURER 10 MILES 01/31/2002 ACTUAL		HULL MATERIAL		PROP		DATE OF ISSUE 03/08/2002	

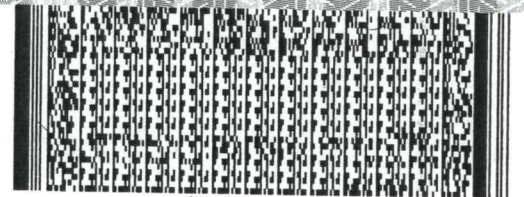
REGISTERED OWNER
**GADSDEN COUNTY SCHOOL BOARD
35 MARTIN LUTHER KING JR BLVD
QUINCY FL 32351**

LIEN RELEASE
INTEREST IN THE ABOVE DESCRIBED VEHICLE IS
HEREBY RELEASED

BY _____

1ST LIENHOLDER

NONE



DIVISION OF MOTOR VEHICLES TALLAHASSEE FLORIDA

DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES

Carl A. Ford

CARL A. FORD
DIRECTOR

Control Number **54109351**

Fred O. Dickinson III
FRED O. DICKINSON, III
EXECUTIVE DIRECTOR

TRANSFER OF TITLE BY SELLER
ODOMETER CERTIFICATION - Federal and state law require that you state the mileage in connection with the transfer of ownership. Failure to complete or providing a false statement may result in fines and/or imprisonment.
This title is warranted and certified to be free from any liens except as noted on the face of this certificate and the motor vehicle or vessel described is hereby transferred to:

Purchaser: _____ Address: _____

I/We state that this 5 or 6 digit odometer now reads (no tenths) Selling Price: \$ _____ Date Sold: _____
miles, date read _____ and to the best of my knowledge that it reflects the actual mileage of the vehicle described herein, unless one of the odometer statement blocks is checked.
CAUTION: DO NOT CHECK BOX IF ACTUAL MILEAGE 1. I hereby certify that to the best of my knowledge the odometer reading reflects the amount of mileage in excess of its mechanical limits.
2. I hereby certify that the odometer reading is not the actual mileage. WARNING - ODOMETER DISCREPANCY.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING DOCUMENT AND THAT THE FACTS STATED IN IT ARE TRUE.

Signature of Purchaser: _____ Printed Name of Purchaser: _____
Signature of Co-Purchaser: _____ Printed Name of Co-Purchaser: _____
Signature of Seller: _____ Printed Name of Seller: _____
Signature of Co-Seller: _____ Printed Name of Co-Seller: _____
(When Applicable) Selling Dealer's License Number: _____ Tax No. _____ Tax Collected \$ _____
Auction Name: _____ License Number: _____

SUMMARY SHEET



RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 10b

Date of School Board Meeting: January 26, 2016

TITLE OF AGENDA ITEM: Florida Building Code Adoption

DIVISION: Department of Facilities
(Example: Secondary Education, Property Records, etc.)

_____ This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM: School Board approval for the adoption of the 5th Edition (2014) of the Florida Building Code.

FUND SOURCE: N/A

AMOUNT: N/A

PREPARED BY: Bill Hunter

POSITION: Director of Facilities

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

Be sure that the COMPTROLLER has signed the budget page.

The School Board of Gadsden County



"Building A Brighter Future"

REGINALD C. JAMES
SUPERINTENDENT OF SCHOOLS

35 MARTIN LUTHER KING, JR. BLVD
QUINCY, FLORIDA 32351
TEL: (850) 627-9651
FAX: (850) 627-2760
<http://www.gcps.k12.fl.us>

Florida Building Code Adoption

Date: December 13, 2015

The Gadsden County School Board has elected to retain a Certified Building Code Administrator to maintain compliance with Florida Statute and the Florida Building Code.

The District will enforce the code as issued, unmodified. As additions and amendments are issued for each edition of the code they will automatically be incorporated and enforced.

New editions of the code will be adopted by the Board after their release. This document serves as official record the Board has adopted the edition of the code listed below.

Authorizing Signatures:

We, the members of the Gadsden County School Board, being the governing body for the Gadsden County School district, do hereby adopt the 5th Edition (2014) of the Florida Building Code.

Superintendent

Date

District No. 1

Date

District No. 2

Date

District No. 3

Date

District No. 4

Date

District No. 5

Date

Respectfully Submitted

W. B. Hunter Jr.

License No's. BU1655, PX2523, BN5034

AUDREY D. LEWIS
DISTRICT NO. 1
HAVANA, FL 32333
MIDWAY, FL 32343

STEVE SCOTT
DISTRICT NO. 2
QUINCY, FL 32351
HAVANA, FL 32333

ISAAC SIMMONS, JR.
DISTRICT NO. 3
CHATTAHOOCHEE, FL 32324
GREENSBORO, FL 32330

CHARLIE D. FROST
DISTRICT NO. 4
GRETN, FL 32332
QUINCY, FL 32352

ROGER P. MILTON
DISTRICT NO. 5
QUINCY, FL 32353

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 11a

Date of School Board Meeting: January 26, 2016



TITLE OF AGENDA ITEM: School Field Trip Requests (Out-of-State) – Gadsden Technical Institute

DIVISION: Vocational/Adult Education

_____ This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:
(Type and Double Space)

According to School Board Policy 2340 (Field and Other District-Sponsored Trips), all out-of-state field trips must be approved by the School Board. Gadsden Technical Institute is requesting approval for an out-of-state field trip to Atlanta, Georgia. Please see attached documentation.

FUND SOURCE: N/A

AMOUNT: N/A

PREPARED BY: Pink Hightower, Ph.D.

POSITION: Deputy Superintendent

INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

FORM MUST BE RECEIVED IN DISTRICT OFFICE 2 WEEKS PRIOR TO TRIP

FIELD TRIP REQUEST

SCHOOL: Gadsden Technical Institute	CONTACT FOR FIELD TRIP: Mr. Don Gibson
--	--

DATE OF TRIP: February 19-22, 2016	WHO IS ATTENDING: (grade/organization) Barbering, Cosmetology and Nail Tech Students
--	--

LOCATION: Atlanta, GA	TRAVELING BY: <input type="checkbox"/> School bus <input type="checkbox"/> Charter bus <input checked="" type="checkbox"/> Vans
---------------------------------	--

PURPOSE: Attending Bronner Brothers International Hair Show (Out-of-State Trip) <i>SDH</i>
--

SCHOOL BUS – Required items for approval: <ol style="list-style-type: none"> 1. Principal's signature 2. Complete list of participants and chaperones 3. Complete final itinerary 	CHARTER BUS – Required items for approval: <ol style="list-style-type: none"> 1. Principal's signature 2. Complete list of participants and chaperones 3. Complete final itinerary 4. Copy of charter bus contract with signatures 5. Proof of Insurance showing either district or school as insured
---	---

Mr. Don Gibson

 Signature of Person Requesting Trip

[Signature]

 Approval of Principal (signature required)

_____ APPROVED	_____ DENIED
_____ Superintendent/Designee	_____ Date

Please forward completed form via district mail or fax to:
Mrs. Cheryl Ellison
Administrative Assistant for Curriculum & Instruction
Fax: (850) 627-3530 Email: ellisonc@gcpsmail.com

The School Board of Gadsden County

REGINALD C. JAMES
SUPERINTENDENT OF SCHOOLS

GADSDEN TECHNICAL INSTITUTE
Dr. Sylvia R. Jackson, Director
Career Technical and Adult Education



"Opportunity at Your Fingertips"



"Building A Brighter Future"

201 Martin Luther King Jr. Blvd.
Quincy, FL 32351
Telephone: (850)875-8324 FAX: (850)875-7297
www.gti.gcps.k12.fl.us

Itinerary

Barbering/Cosmetology Programs
Bronner Brothers International Hair Show
Atlanta, GA.
February 19-22, 2016

02/19/16

9:30 A. M. Depart Gadsden Technical Institute
2:00 P. M. Lunch En Route
3:30 P. M. Arrive in Atlanta, GA
Lodging: Marriott Marquis
265 Peachtree Center Ave NE
Atlanta, GA 30303
(404-521-0000)

02/20-22/16

10.00 A. M. Registration / Class Sessions and Exhibit Hall Show –World Convention Center (WCC)
7:00 P. M. Leave Hair Show for Marriott Marquis
8:00 P. M. Dinner
9:00 Meet & Greet (WCC)

02/22/16

9:00 A. M. Check -out Marriott Marquis
12:00 P. M. Depart Atlanta, GA
5:00 P. M. Arrive at GTI

Contact : Mr. Don Gibson (850)559-7699

AUDREY LEWIS
DISTRICT NO. 1
HAVANA, FL 32333

STEVE SCOTT
DISTRICT NO. 2
QUINCY, FL 32351

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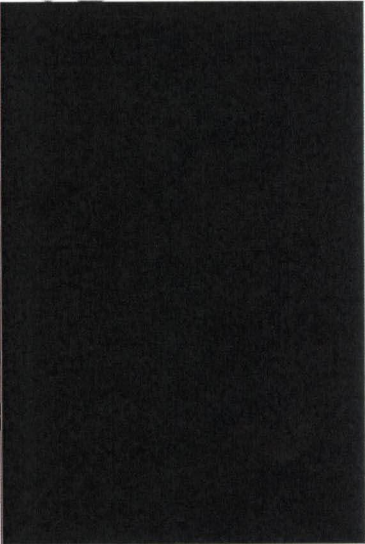
ROGER P. MILTON
DISTRICT NO. 5
QUINCY, FL 32353

BRONNER BROS. INTERNATIONAL

HAIR SHOW

FEBRUARY 19-22- -2016

STUDENT NAMES

1. B
 2. F
 3. L
 4. M
 5. N
 6. R
 7. T
 8. V
 9. B
 - 10.
 - 11.
- 

CHAPERONS

**Mr. Don Gibson , Mrs. Joannette Thomas and Mrs. Montoyia
Teillman**