Caro Community Schools Accounting Procedures / Controls Manual

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Section 1 - Cash Management

Deposits and Receipts for all funds:

Deposits

Food Service:
Caro Community Schools utilizes a computerized system called Skyward that allows the students to prepay for lunches. Each student is assigned a unique PIN number by the software. The students will make deposits for the day, week or month. Located in the Schall Elementary, Caro Sr High and Caro Middle schools are deposit boxes that are securely fastened into the hallway walls. The Students have special deposit envelope to deposit their monies in. The students then place their deposits into the deposit boxes. In the McComb Elementary school the teachers collect the deposit envelopes in the morning and are placed in the deposit box. The cashiers for each building collect the envelopes every morning enter the deposits into each student's account using the Skyward software package. They then balance the monies with the balance report printed from the computer, write a deposit slip and place it in the lockbox until after lunch. The school's head cashier is driven by a transportation driver to each school where she picks up the deposits and balance sheets. She is driven to the bank where the deposits are handed and recorded by a bank teller and she is given the previous days deposit slips. The head cashier then is driven back to her office where she confirms the deposits slips with the balance sheets from the previous day. At the end of the month the deposit slips and balance sheets are given to the Business Manager. The Business Manager prints out a monthly deposit register and balances that with the deposits for the month. She then receipts a total monthly deposit.

Athletic:
The Athletic Director (AD) has a mini vault in their office that contains starting cash at the beginning of each school year of $1,000.00. At the end of the school year the starting cash is deposited back into the cash account. The AD uses the starting cash for cash boxes for the particular athletic events gate receipts. The AD assigns a gate keeper for each athletic event, normally volunteer parents. The gate keeper collects the gate receipts. The gate keeper and AD together count the gate receipts and both sign a form that balances the beginning cash, the total receipts with the # of gates sold. The AD then places the monies in a labeled money bag, which is then placed inside the Athletic Directors vault until the next morning. The next morning, the Athletic Director delivers the money bag to the District Central Office where the bag is handed over to either the Administrative Assistant, Payroll Bookkeeper or Business Manager. That person then places the money bag in the vault located in the Central Office.

Internal Agency Accounts:
The monies are collected by each individual treasurer or teacher of that account. The monies are brought into the Central Office daily and are placed in the vault.

Central Office Receipts:
Cash/checks are received in mail or brought into the Central Office and placed into the Central Office vault. The monies from Athletics, Internal Agency Accounts and Central Office are counted on Tuesdays and Thursdays each week, but sometimes more often, We have a special cashier that comes in and counts the monies on Tuesdays and Thursdays of each week and she is called upon more often if there is a need. She counts the monies, writes the deposit slips and balances them with the support provided. She then is driven to the bank by a transportation satellite driver. She will drop off the deposits and pick up any duplicate deposit slips available at the bank. She will deliver the duplicate deposit slips to the Business Manager.

Receipts:
The Business Manager will then separate the duplicate deposit slips into the proper funds and distribute any Internal Agency deposit slips to the Administrative Assistant.

Internal Agency Funds:
The Administrative Assistant will then attach those duplicate deposit slips to the support, balance them out and register that deposit into the skyward software and create a receipt. The receipts are then sent to the teacher or treasurer of that particular Internal Agency Account. A receipt register is printed at the end of the month and placed in a notebook with monthly transactions.

General Fund, Debt Funds:
The Business Manager will take the Central Office and Debt fund deposit slips and match them up to the appropriate support, balance them out, register that deposit into the skyward software and create a receipt. The receipts are stored in the file cabinet by month along with a detailed printout of the receipts for the month.

Bank Reconciliations:

Internal Agency Funds:
The bank reconciliation arrives by the US Postal Service; the Administrative Assistant prepares the reconciliation by balancing it using the bank reconciliation software in Skyward.
Each internal agency account has its own balancing ledger. The teacher or custodian of that particular account enters all transactions into their ledger. At the end of the year that ledger is turned over to the Administrative Assistant and balanced out with the ledger in Skyward. So every transaction is balanced by two persons, the Administrative Assistant and the custodian of that particular account.

Payroll Funds:
The bank reconciliation arrives by the US Postal Service; The Business Manager is responsible for balancing the payroll reconciliation by balancing it using the bank reconciliation software, in Skyward. She consults with the Payroll Bookkeeper for any discrepancies that may have occurred.

General Fund-Cafeteria Fund:
The bank reconciliation arrives by the US Postal Service; The Payroll Bookkeeper is responsible for balancing the bank reconciliation by balancing it using the reconciliations software in Skyward. She consults with the Business Manager for any discrepancies that may have occurred.

Debt, Capital Projects, Sinking Funds:
The bank reconciliation arrives by the US Postal Service; The Business Manager is responsible for balancing the bank reconciliation by balancing it with the prepared monthly balance sheet produced by the Skyward software. She consults with the Payroll Bookkeeper, Administrative Assistant or Superintendent for any discrepancies that may have occurred.

Banking Transfer including ACH, Wires and Banking Transfers:

ACH Transfers:
The ACH transfers used by the district are for the bi-weekly payroll or Debt-Capital Project related transfers. The Payroll Bookkeeper and Business Manager have the rights to make these transfers. They approve each others transfers and are balanced out when they perform each other's bank statements. The main transfer would be for actual payroll checks, withholdings, retirement and any other payroll deductions deemed necessary. The Capital project related transfers are for payments made main construction management who then distributes the payments to contractors. The Debt related transfers are for bi-yearly payments made per any payment schedule. The ACH receipts that are received are recorded monthly in the cash receipting process by the Business Manager and are reviewed during the reconciliation process by the Payroll Bookkeeper.

Wire Transfers:
They are only performed if there is an investment being processed or a particular banking situation occurred that wouldn't accept an ACH transfer.

Banking Transfers:
Payroll needs to perform a transfer before the ACH payroll can be processed. The monies are keep in the General Fund and transferred out to the Payroll fund. If there is a Debt or Capital Project check processed the checking account used to process that check is the General Fund and a transfer needs to occur to reimburse the General Fund for that debt. This transfer can be performed by either the Business Manager or the Payroll Bookkeeper and reviewed by the other.

Section 2 - Purchasing

Purchase Orders: Within the Skyward Software is a tight security system, that requires steps of approval before a purchase order can be generated.

All purchases require a purchase order with a few exceptions, see below. The purchase order process is as follows:

a. An employee fills out a purchase requisition in Skyward Software.

b. Skyward sends the requisition to their immediate administrator for approval.

c. The administrator either approvals or denies the requisition in Skyward.

      i.   If approved the requisition goes to the Superintendent for approval.

      ii.   If denied it goes back to the requisitioned with an explanation.

d. The Superintendent either approves or denies requisition

      i.   If denied it goes back to the requisitioned with an explanation.

      ii.   If approved, upon entering the approval button it is changed to a purchase order and the software notifies the employee and secretary that they can now place the order.

Exceptions A purchase order is required for all purchasing with a few exceptions of: Transportation bus maintenance parts or Custodial maintenance parts under $1,200. Food service does not issue purchase orders for food, milk or general merchandise, only for capital project type purchases. Personal reimbursements and athletic officials do not require a purchase order but do require a prior approval authorization.

Exception Purchases: Any purchases that do not follow the purchase order procedure follow a check requisition procedure.

Transportation: All invoices for parts contain the bus # that used the part; the invoice is submitted to Transportation Director.   The director fills out a check requisition attaching the monthly statement with all the invoices pertaining to that month. He then approves it and it is sent to the business office for processing.

Food Service: The Food Service Director matches all monthly invoices to the monthly statements and fills out check requisitions. She then approves them and they are sent to the business office for processing.

Custodial/Maintenance: Any small purchases are made locally and are purchases on credit. The invoices are signed by the custodian and given to the Supervisor in the business office. He then matches those to the monthly statements, fills out the check requisition, approves it and sends it to the Business Manager for processing payment. Any large purchases are made using a purchase order.

Athletic Officials: The Athletic Director submits a list weekly a list of officials needed for a particular events. She approves the list and sends it to the Business Manager for processing a payment.

Personal Reimbursements: These are reimbursements for expenses related to conferences, mileage, occasional supplies that teachers pick up for consumable science projects that can't be ordered ahead. These are a few examples. The check requisition is filled out with detail or if it was a conference then the conference or mileage forms are filled out. These are approved by their immediate administrator and then submitted to the business office for approval and check processing.

Purchase orders: When the items are received the teacher submits the packing list to the secretary. The secretary attaches a copy of the purchase order, signs it, dates it and sends it to the business office for payment.

Check Processing: When the purchase orders are received in the business office, the accounts payable bookkeeper matches the invoices with the purchase order and places them in alphabetic order along with any check requisitions received. These are then entered into the Skyward accounts payable invoice entry. An accounts payable list is generated and given to another business office employee along with the invoices. The list is reviewed against the invoices. Once the list is approved by signature and date, it is given back to the Accounts Payable Bookkeeper to process a check. The purchase order changes from being encumbered to being expensed and a check is processed. The checks are mailed out with a copy of the invoice enclosed. A check register is created at the end of the month and placed in a binder.

Board Treasurer Approval: The board approves the bills written for the month before the board meeting the following month. They receive a check register by email on the Friday previous to the school board meeting. When they arrive at the school board meeting they go through the bills and discuss any concerns with the Superintendent with a follow up phone call to the Business Manager the next day. The direct administrators and the Superintendent have the approval rights for purchases as long as it doesn't exceed their approved budgets. Knowing this the board looks carefully at the invoices and expresses any concerns if they feel the process is not being followed properly. No invoices are accepted that are not detailed on the invoice. Example credit card receipts without detail.

Finance Policy – Credit Cards: Upon resolution of the School Board, the Administration is authorized to enter into an agreement for the use of a credit card issued in the name of the School District for the purpose of covering expenses incident to authorized travel, online and local purchasing. The credit card contract may be modified, from time to time, as requested by the Business Manager or Superintendent and further resolutions of the Board. No later than ten (10) days after the date of usage, the respective employee or board member on whose behalf any charges were incurred will submit a fully itemized expense voucher with receipt. Since the district is tax exempt for State taxes, payment of State taxes will be disallowed. Any charges against the credit card not properly identified on the expense voucher, for a non-school related expense or disallowed following the annual audit and will be paid by the employee or board member by check, United States currency, or payroll deduction. If, for any reason, disallowed charges are not repaid, the School District will have a prior lien

against and a right to withhold any or all funds payable or to become payable to the employee up to the amount of the disallowed charges, penalties and interest at the same rate as charged by the company which issued the credit card. Card users are to be provided a copy of and sign acknowledgement of this policy prior to first use of the card. Such copy shall be filed in employee's personnel file. Charges against any School district credit cards may only be made by employees or Board members designated by the superintendent from time to time. A limited time usage may be delegated by card holders and the card holder shall be responsible for filling the voucher. Card may be used by other employees only with the written approval of the Superintendent who shall be responsible for monitoring the return of the cards.

One card is authorized in the name of the Superintendent. Each card holder shall be responsible for the security and safekeeping of their card. If a Card is lost, misplaced, or believed stolen, the card holder shall report the matter to the superintendent and business manager within 24 hours of such discovery.

Credit limit on such credit card shall not exceed $2,000. Charges shall only be incurred for goods and services currently authorized by the Board's approved budget. As such, charges shall not exceed the amounts set forth in those budgets or the balances remaining unless approved in advance by the Superintendent.

Employees will surrender the card upon demand by the Business Manager, Superintendent, or Board President should employment end or misuse be determined. The School District has the complete authority to revoke use of any credit card if used for other than the purpose for which it was originally intended. Any individual authorized to use a credit card must maintain adequate security of the card while it is in his/her possession. Employees may not use the credit cards for personal use; it is reserved for business related items for which a purchase order is customarily used. At no time may the collective balance of any credit card debt exceed such amount as established by the School Board by resolution from time to time.

Section 3 - Payroll

Payroll: New Hires: All new hires undergo a criminal investigation check before any employment takes place. Once cleared the new employee completes a packet from personnel department before starting work. Included in packet are items such as W-4's, insurance enrollment papers, MPSER's en

rollment/beneficiary papers and any copies of the contract to which they are hired into. All new hires are approved by board.

Employee Terminations: If an employee resigns they must turn their resignation into supervisor and then forward to personnel department. They are then accepted by Board. Final pay is calculated and final check is issued.

Teachers and Administrators Contracts: Total contract amounts are determined using the employee management module on Skyward. All

contracts are tied to   calendars and salary matrix plans. The Business Manager works with Administrative Assistant to properly place all employees in the correct placement codes and account codes. The Payroll Bookkeeper and Business Manager verifies the list according to each contract to ensure

accuracy.. Monitoring is done throughout year by comparing actual with budget.   Any discrepancies are researched by Business Manager.

Absence Reports: All employees must complete a sick/vacation day absence report whenever a day is taken. These slips must be approved by supervisor and are given to Personnel department where they are inputted into Skyward for tracking purposes.   Biweekly payroll checks show remaining balances for each employee along with employee online access.

Hourly Employees: Time sheets are filled out and submitted to the secretary or direct supervisor.   The time sheets are then entered onto Skyward and a copy is printed and signed and an approval supervisor/administrator.   The copies are submitted to the Payroll Bookkeeper for payroll processing.

Contract Employees: The Payroll Bookkeeper processes the contracts using Skyward payroll processing. All absence report forms are entered into the system first to make sure there is no contract adjustments needed for time off without pay.

Actual Payroll Processing: Once all is verified with the bi-weekly contract amounts, they
are pulled into the payroll processing system and verified once more by running a report. The time sheet reports are then pulled into payroll and balanced out with the reports that were approved.

Payroll Processing continued: The payroll is calculated, checks are written or ACH reports are created.   The ACH reports once verified are sent electronically to the banking institution. First however a transfer of the net payroll must be transferred from the General Fund into the Payroll Account to ensure there is enough money for the ACH to be processed. These amounts are verified with the monthly bank reconciliation. All ACH transactions are processed for deductions along with any withholdings including FICA, Federal taxes and retirement.

Section 4

Investment of Funds
The District's investment portfolio shall be structured in such a way that the primary emphasis is on safety and liquidity of investments and preservation of the principal amount invested, as opposed to the rate of return. District cash flow needs shall be taken into account at all times when investments are contemplated.

In order to reduce the risk of losses on District investments, only "low-risk" investment instruments shall be used by the District. No District investments shall involve foreign currency risk.

This policy applies to all cash and investments under control of the Board, with the exception of funds related to debt issuance where other agreements or contracts are in effect for those funds.

The Superintendent may develop appropriate administrative rules to accompany this policy.

Section 5

The District's operation and educational plan is reflected in its budgets. Each year, the Board of Education will cause to have prepared and then review and approve the following Fund budgets:

General Fund, Debt Retirement, Food Service, Building and Site.

Each budget shall be designed to carry out District operations in a thorough and efficient manner, maintain District facilities properly, and honor continuing obligations of the Board.

A proposed budget requires the critical analysis of every member of the Board prior to approval; once adopted, the budget deserves the support of all members of the Board regardless of their position before its adoption.

The Board directs the Superintendent to present the budgets to the Board along with all available information associated with each budget in sufficient time to allow for proper analysis and discussion prior to the hearing.

When presented to the Board for review and/or adoption, the information shall include, as appropriate:

a. the proposed expenditure and revenue in each financial category for the ensuing year,

b. the anticipated expenditure and revenue in each financial category for the current year;

c. the actual expenditure, the approved budget, and the revenue in each financial category for the previous year;

d. an estimate of the student enrollment by grades for the ensuing year

e. The amount of fund equity anticipated at the end of the current year,

f. an appropriations resolution

The Superintendent presents the yearly budget for the next year in June of each year. The budgets are prepared by the Business Manager and Superintendent. Revisions are done during the year when deemed necessary and a final revised is done in June. Departments such as Maintenance/Operations are given a set dollar, allocation and the department head can allocate monies to certain accounts as deemed necessary. Building allocations are determined based on number of students and can go up or down from year to year. The business manager calculates all salaries/fringes primarily from union/administrative contracts.

Budget Transfers are initiated by building principal or department supervisor and approved by Business Manager, allocations for each department remain the same unless there is a budget revision.

Section 6 - Fund Raising and Student Activity Fund

Soliciting Funds From and By Students
The Board recognizes the existence of many worthwhile community and student activities that require the raising of funds by the sale of merchandise, tickets, or perhaps direct requests for money. Because of the need to safeguard students in the educational program, the Board limits participation of students to those activities that have the building Principal and/or Superintendent's approval under this policy.
Co-curricular and school-sponsored extra-curricular programs of the District such as athletic programs, school-sponsored student clubs, and curriculum-related field trips or excursions may require financial support beyond the capacity of the District's capacity to provide in order to survive. Community and school fund raising organizations may contribute to the enrichment of basic programs or to co-curricular and extra-curricular activities through the contribution of funds and/or items as long as those contributions have been determined consistent with the above and approved by the Superintendent through the appropriate building or program administrator.
This policy is not to affect those regular school programs such as dramatics or musical concerts, etc., where students might be selling tickets for an activity in which they are taking part.
Every attempt shall be made to coordinate fund raising activities among buildings and various organizations in order that excessive demands are not made upon members of the community.

Student Groups: The Principal must approve all fund raising events in advance. Requests must be on an approved application form and submitted to the Principal at least one month prior to the proposed activity.

Door-to-Door Sales: It is not the position of the Board to require door-to-door sales without parental/guardian permission.

School-sponsored student organizations shall not have more than two fundraising events a year, and no more than one event in a semester, that would involve going into the community.

Specifics
A. Fund raising projects for special trips or special projects should not be started until approval of the trip or project is granted. Trips covered by this policy shall include out-of-state and overnight trips, as well as trips to foreign countries. (Cf. 7490 – Field Trips)
B. Any sale of commercial products or the solicitation of funds through contracts with businesses shall require approval of the Superintendent before any oral commitment, written agreement, or contract is made or any advance publicity or group promotional activity is undertaken. Once approved however, before sales begin or solicitations are made, contract agreements must be signed by the building Principal.
C. Fund raising projects shall be compatible with the school's purpose, goals, and general community expectations, and shall not conflict with local business enterprises unduly.
D. The District shall transfer funds remaining in accounts of student organizations that have been inactive for one year or in accounts of classes that have been graduated for one year to accounts of other co-curricular organizations or to the District's general fund upon recommendation of the Superintendent.

Adult Groups
School-related adult organizations raising funds that are to be used primarily for the improvement of the educational or athletic program must submit a written request through the Principal to the Superintendent. This request should be submitted one month in advance and identify the date(s) and nature of the activity(ies). No fund raising activity should commence until approval has been granted.

The purpose is not to limit the activities of these groups unduly, but rather to:
1. Be assured that students are not being "used" or their educational program interrupted.
2. Assist with coordination of activities so that similar activities are not in conflict with each other.
3. Be assured of the appropriateness of the activity and that all fund raising activities, and the use/expenditure of the funds raised there from; comply with local, state, and federal laws[1] and regulations.

Section 7 - Grants/Federal Requests

Grants: Each year, grant applications are entered into MEGS by the Special Services Director or Special Ed Director/ISD. A copy is given to Business Manager and the Budget is updated according to grant amounts. Business Manager reviews with personnel and payroll the employees involved to make sure correct accounts are assigned. A monthly review is done by Business Manager of all accounts in the grants to verify accuracy. Periodically a cash request will be done (see below).

All grants have a time period for which funds can be expended. The Special Services Director is responsible for submitting all Title grant applications which will allow the District to start expending monies. The ISD completes the IDEA grants.

Grant compliance is monitored as follows: Flow Through and Preschool, Title I & II Special Services Director. The Business Manager will also be involved with monitoring of certain areas of the grant, primarily the financial items. Training on compliance is done at regional meetings put on by MDE, ISD meetings/roundtables and by reading compliance manuals.

At year end, the Business Manager completes the final expenditure reports, balances out the Schedule of Federal Awards and is audited by outside accounting firm. A copy is then sent to all agencies involved and MDE.

Federal Cash Requests: For Title Grants: A review of trial balance is done by the Special Services Director to verify all expenses are eligible and appear reasonable. The Special Services Director then gives that to the Business Manager who inputs the amounts into CMS and requests draws for all grants, The Special Services Director verifies that the requests are correct and request is certified. For IDEA Flow-through and Preschool: Spreadsheet detailing YTD expenditures and previous request is sent to ISD. ISD reviews and will issue check.

Section 8 - Financial Related

Adjusting Journal Entries (AJE's): A standard form is used for all journal entries. Payroll Bookkeeper, Administrative Assistant or Business Manager prepares AJE's. Routine AJE's, ACH/cash transfers, month-end allocations are and entered into the General Ledger. Non-routine entries are approved by Business Manager before entry into the General Ledger. If the Business Manager prepares the AJE then the Payroll Bookkeeper approves the entries. If the Payroll Bookkeeper prepare the entry then the Business Manager approves the AJE. If the Administrative Assistant prepares the entry then the Payroll Bookkeeper or Business Manger approves the entry. On each AJE, an explanation of the reason for the entry must be completed

as well as attaching supporting documentation for the entry. All entries are stored in the business office.

Fixed Assets: Material asset purchases are recorded in capital outlay accounts. Business Manager keeps list of new capital assets during year. The District has determined to capitalize any new asset over $2,500. The useful life of each asset is determined by type of asset. A review of capital outlay accounts is also done to verify completeness of list at year end. Asset additions/deletions are recorded by the Business Manager. A backup is given to the District Auditors and copies are keep in a binder in the business office.

Monthly Financial Statement Reports:

Business Manager reviews monthly Revenue/Expense reports, by account, comparing actual expenses with budget looking for abnormalities such as wrong accounts or over budget status. Corrections and/or budget transfers are made as necessary.

Section 9- Audit

The accounting records, including internal accounts, of the District shall be audited annually by an independent certified public accountant in accordance with prescribed standards and legal requirements.
The audit report shall be reviewed and approved annually by the Board at a public meeting. The management letter and recommendations of the auditor shall be brought to the attention of the Board, along with recommendations of the Superintendent as to the feasibility of implementing the recommendations. The Superintendent shall be responsible for filing the audit reports with all appropriate authorities as prescribed by law or regulation.
The auditing firms selected to conduct the annual audit shall be recommended by the Superintendent and approved by the Board at the organizational meeting. The auditing firm may be selected on a bid basis. All District employees shall cooperate fully with the auditors. The Auditing Firm shall also file a copy of its annual financial audit report including management letter, with the Michigan Department of Treasury by no later than October 31st of each year.

A list of requested items is given to Business Manager from auditors before audit. Business Manager distributes copies to staff and assigns various schedules to be completed. Business Manager reviews trial balance and prepares any year-end AJE's. Calculations are done for payroll, insurance, compensated absences, A/P and other items to convert from a cash to an accrual basis. Business Manager reviews calculations before inputted on AJE's. For invoices received after year end but apply to previous year, separate check runs are done and are booked to the old year. New year invoices are booked to the new/next year.

Business Manager prepares requested schedules and reviews schedules received from staff before giving to auditors. Grant information such as grant amount, CFDA number, source, etc. is also completed and given to auditors. After audit is completed preliminary financial statements and SEFA are given to Business Manager for review. Any corrections/concerns are returned to auditors.

Section 10 – Computer Security

Computer Security:

Access Control
User access control levels are determined based on the role of that user. Users in specific roles are members of security groups which allow or restrict access to applications, services, shares, printers, Internet, home drives, etc.   Roles are based on major and minor categories as follows:

Student
      Elementary School
      Student Middle School
      Student
      High School Student

Staff Member
      Administrator/buil
      ding
      Teacher/building
      Support
      staff/building
      Other staff
Guest

Authorizing use
Each building administrator (or their designee) is responsible for determining who has access to the technology resources of their buildings. As such authorization is granted based on requests from the main office in each building.

Authorizing New Programs
Authorization for new programs is ultimately the responsibility of building administrators in conjunction with the district Technology Director. However, the process can be initiated from a variety of sources such as:

- District Curriculum Council
- District Technology Committee
- Consortium initiatives (i.e. implementation of programs with other districts in
    the county)
- General curriculum needs
- General business needs
- Individual faculty or staff

Updating, Upgrading and Patching Existing Programs
Updates, upgrades and patches will first be applied in a test environment when possible.

Updates, upgrades and patches will be applied as necessary in order to:
- Fix issues or "bugs"
- Prevent security issues
- Take advantage of advanced features or functionality
- Remain on a supported platform

When possible, updates, upgrades, and patches will be applied during downtime (such as summer months) in order to minimize the impact on production systems.

Using the Internet
Internet access, as well as general access to network and technology resources, will only be granted based on the acceptance and return of a signed Acceptable Use Policy (parent signatures are required in the case of students under the age of 18).

Internet access is content filtered through through a 3rd party vendor.

All Internet access is logged by the users ID and IP address.

Disaster Recovery Planning
In the event of a disaster involving core technologies (file servers, phone switch, infrastructure, etc.) a number of immediate actions will be implemented:
- Damage will be assessed to determine what level of functionality still exists and what specific systems are affected.
- If possible full or partial service will be restored using existing equipment (i.e. shifting services from one file server to another).
- In the event that hardware must be replaced an order will be issued for the equipment requesting express delivery.
- Where applicable, the Business Office may file an insurance claim on the affected devices.
- If the equipment in question requires installation services, an order for Those services will be issued requesting the services be performed upon arrival of the devices.

- In the case of file servers, network operating systems will be installed on the equipment upon arrival and data will be restored from backup to the newest state possible.

Contingency Planning

Contingencies are in place for a variety of issues to critical systems including but not limited to:

- If access to financial systems and other software and services access through the Tuscola ISD is lost and will remain unavailable for any extended period of time, the appropriate personnel may drive to the ISD, or a neighboring school district to access those systems
- If circumstances should render the districts head-end room unusable, the equipment (or replacement equipment) may be shifted to another building in the district. The primary location for this would be the middle school main distribution frame room.
- If circumstances should render the district unable to house the equipment from the head-end room anywhere in the district, the equipment could be shifted to a neighboring school or the Tuscola ISD and accessed from that location or remotely over the counties fiber network.
- If the digital telephone circuit (PRI) is lost for any reason, the district will continue to operate on a limited number of backup analog (copper) lines until service is restored.
- If a situation exists that requires a building to be evacuated, all network applications, data, and services can generally be accessed from another building in the district.
- Critical network printing may be shifted to localized printing when the network is unavailable.
- In the event that the Technology Director is unavailable a list of technology contacts is provided to ensure help is available when needed.

Backup Operations

Backups operations are based on the requirements of the information being backed up.

- Non-critical, static information will be backed up periodically as dictated by the nature and type of the information. The media used may be magnetic tape, removable optical media, or hard disk drive.
- Critical static information and dynamic data will be backed up to magnetic tape using the following scheme:
  - Full backups once per week (Wednesday)
  - Differential backups all other nights throughout the week (Thursday through Tuesday)
- Magnetic tapes will be secured in districts climate controlled head-end room under normal circumstances.
- Magnetic tapes from one week (full plus differential backups) will always be kept off-site at a secure location. This backup set should be no older than two weeks.

- Certain critical static and dynamic information may also be backed up onto disk to create redundancy as well as for ease of restoration.
- Periodic backups may be kept for archival purposes (i.e. an annual year-end backup).
- Backups will also be made of systems before upgrades or updates where applicable.
- Caro Community Schools currently uses Backup Exec for Netware version 9 as our backup software. The following Backup Exec features are enabled to ensure that backup media is capable of being a source for restoration:
    - o All backups are verified (i.e. tape is read for all files after backup completes).
    - o A "Quick Check" feature is enabled which restores a random file from each backup set to ensure the media can be read accurately.
- Magnetic devices are cleaned per manufacturers instructions at times indicated by backup device.
- Magnetic media is replaced after the manufacturer recommended lifespan has exceeded, or the media becomes unusable and/or unreliable.

Network Security

Networks will be secured against threats using a combination of technologies:
- Security patches and updates will be applied as needed
- Anti-virus and anti-spyware:
    - o All desktops will run anti-virus software which will be updated on a daily basis.
    - o All desktops will run anti-spyware software which will be updated as required.
- o Servers which allow users to store files will run anti-virus software which will be updated on a daily basis.
    - o All incoming e-mail will be scanned for viruses, spyware, and spam.
- Firewall and content filters

Monitoring Computer and Network Operations

The district has two full-time staff member responsible for all network operations. In addition, there is one part-time student worker who perform a variety of installation, desktop and user support functions. Monitoring takes place based in a variety of fashions:
- Periodic physical monitoring of network devices
- Manual monitoring in response to a user request or user reported issue
- Automated alerting via the built in capabilities of specific systems

such as anti-virus and tape backup software.

- Automated monitoring and alerting using the Simple Network Management
  Protocol (SNMP) capability of devices which support this feature.
  In addition, tools (especially those which are free or low cost) will be
  periodically reviewed to examine the benefit they could provide in further
  automating network and device monitoring, alerting

Section 11　　　Food Service Procedures

The following provisions will govern the food service program.

Board Policy: The following policies have been separately reviewed and approved by the Board of Education and are incorporated here by reference:

- **8500 Food Services**

Additional Policies and Procedures: The following policies and procedures will also be applied, to the extent that they do not conflict with or contradict the Board policies listed above.

Applications Processing
Caro Community Schools is accountable for the proper procedure in approving free and reduced price meal applications and, as such, has the following internal controls in place.

Food Service Head Cashier (FSHC), the Food Service Director (FSD) and the Administrative Assistant to Superintendent (AAS) work together to insure that the applications for free and reduced meals are processed appropriately.

The district must have a valid application on file for each income and categorically eligible student served a meal meeting program requirements that is claimed for Federal reimbursement at the free or reduced rate, and a list of those students directly certified. As such, it is the primary responsibility of the FSHC to maintain this information for the district.

FSHC collects applications from all buildings and makes the eligibility determination within 10 working days using the automated process through the district's Skyward software. Skyward software is used to reduce the risk that eligibility is determined improperly. FSHC will print out the computer generated determination letter and attach it to the application. Applications are randomly reviewed by the FSD. FSD will date and record the names of those applications that he/she has reviewed and checked for accuracy of eligibility. All documents will be kept on file for audit review.

Direct Certification
The AAS downloads the direct certification file from the CEPI website when informed of the release or as required. The file is reviewed for accuracy of formatting. The AAS then prepares the import file for input into Skyward software. The AAS checks to see that all students that were approved through direct certification are in Skyward software.

Verification Process
FSHC works through the verification process. The verification process is begun by reviewing the set up in Skyward software following manufacturer's instructions. The FSHC selects the proper sampling procedures based on state recommendation. Once the applications are selected, the letters are mailed to parents asking for proper documentation to prove their status.

When documentation arrives from parents, it is reviewed and a determination is made to see if the family is entitled to the benefits they are receiving. If there is a change in status, a letter is sent to the parents informing them of such.

If a household selected for verification transfers out of the district before the information can be verified, verification cannot be completed and the FSHC must select a new application and process it as above. All results are reported by the FSHC by November 15th.

The Verification Checklist, the Verification Summary Report, and all supporting documentation will be filed in one central file in the FSHC office. FSHC completes the LEARS verification summary report online before March 1st .

Record Keeping

The FSC will maintain all required documentation to demonstrate compliance with the verification requirements for local, state and/or federal audits. All applications approved or denied are kept on file for three (3) years (including the current school year).

Procurement

All food expenditures are process through HPS School Food Purchasing Program. We have a contract with HPS who has a contract with Gordon Food Service.

The HPS School Food Purchasing Program RFP is in accordance with the federal rules governing the management of grant funds from the USDA, including, without limitation, 2 CFR Part 200, and 7 CFR Parts 210, 215, 220, 225 and 226. The HPS School Food Purchasing Advisory Committee only accepts proposals that are in accordance to recognized pricing mechanisms for child nutrition program recipients. HPS doe this procurement on behalf of all of the Member and future member SFAs, and, as such, all documents are available for review and files.

Buy American:

HPS has received many questions reference the enforcement of the Buy American provision in 7 CFR 210.21(d) and 220.16(d), which implement Section 104 (d) of the William F. Goodling Child Nutrition Reauthorization Act of 1998, that require SFAs to use their Nonprofit School Foodservice Account funds to purchase domestic commodities or products to the maximum extent practicable.

The HPS bid complies with the Buy American provision in part by identifying the following: The Buy American requirements applies as to agricultural commodities and food products. Vendor must ensure that the country of origin is clearly stated on all product labels, invoices, online ordering platforms, receipts, HPS bid Documents and/or other delivery documents so that the recipient SFA is able to verify the country of origin is the United States. Vendor must require its suppliers to certify the domestic origin and content of the suppliers' commodities and products. Vendor must notify the SFA before delivering any commodity or product that does not comply with the Buy American requirements. Vendor must also notify HPS and SFAs before any change in the source of commodities or products. To comply with this HPS has added a country of origin column to our bid list to give you information about the country of origin as of the time of the HPS solicitation. GFS has also committed to having the country of origin visible on their online ordering platform. Please note the ultimate judge will be the SFA and you may need to reference the product's box for the final determination, especially for some items that have different country of origin's throughout the year.

It is important to note that Exceptions to forego the Buy American provision may be approved by the SFA but only in extraordinary circumstances where the SFA determines, an exception, demonstrates either of the following:

(1) The Product is not produced or manufactured in the U.S. in sufficient and reasonably available quantities of a satisfactory quality; or

(2) Competitive proposal pricing reveals the cost of a domestic Product is significantly higher than the non-domestic Product (price information must be included in the request).

HPS has included a form that we recommend you keep on file if your district decides they need to enact either of the above exceptions. (Example: The SFA chooses to serve bananas that are non-domestic; you then would fill out a form citing the Bananas are not available in sufficient quantities. Keep this form on file for your state review).

For a copy of the contract, including all bid items with pricing, contact the HPS Office at 1-800-632-4572 or visit www.HPSGPO.com after July 1st.

Procurement continued:

The FSD prepares the monthly invoices which are submitted to the Business Manager for review and checked for accuracy of charges. The Business Manager processes the invoices and submits the payments. They are available for review upon request.

Monthly Claims
The FSHC prepares the reports for reimbursement from MDE
She is required to attend yearly trainings as provided by MDE. Skyward software maintains information which is the basis for the reports. Reports are printed for the month by building. FSD confers with the FSHC for the total days that breakfast and lunch were served and building enrollments for the month. The FSHC then uses the information from the reimbursement claim form printed from Skyward. Once correct, the FSHC prepares a draft on the MDE website. Before certifying, the FSHC re-computes the totals by category to be sure they agree and confirms with the FSD.