

Section: Finances
Title: Objectives
Adopted: January 24, 2007

601. OBJECTIVES

The Western Area Career & Technology Center Joint Operating Committee recognizes its responsibility to the taxpayers of the participating school districts to ensure that public monies expended by the school are utilized for delivery of the educational program in a manner that provides full value to the taxpayers, and that adequate procedures, constraints and records are established to ensure that end.

The Joint Operating Committee has the authority and responsibility to prepare the budget, approve bids and approve each expenditure of the school.

To meet the goals of this policy, the Joint Operating Committee requires the Director or designee to establish sound accounting procedures based upon recommendations of the school auditor and state and federal government accounting procedures, institute effective business practices, and recommend appropriate accounting equipment when necessary.

The Director shall review as necessary the financial operations, report to the Joint Operating Committee on effectiveness and recommend improvements, and prepare administrative procedures for sound fiscal operations.

Business Office Operational Procedures

The Business Office is structured to provide the faculty and administration with business-related services that are essential for the operation of an efficient and accountable instructional program. While the Business Office is structured to provide efficient support services, it must offer them in a manner that is consistent with:

1. State-mandated rules as found in the School Code and related regulations
2. Joint Operating Committee approved policies
3. Accepted business and accounting procedures

Complete familiarity with business-related rules and operational procedures by faculty and administration coupled with prudent planning should ensure the delivery of needed and timely business services. Compliance with the rules and procedures will significantly reduce potential problems and allow the Business Office to provide more and better services that will enhance the educational program of the school.

Section: Finances
Title: Budget Planning
Adopted: January 24, 2007

602. BUDGET PLANNING

The budget shall be designed to reflect the Western Area Career & Technology Center Joint Operating Committee's objectives concerning the education of the students of the school. Therefore, the budget shall be organized and planned to ensure adequate understanding of the financial needs associated with program support and development. The financial requirements of school programs shall be reviewed on a continual basis. The current operating expenses of the Joint Operating Committee, as approved for the school, shall be borne by the participating school districts in proportionate shares as stated in the Articles of Agreement.

Planning of the budget is a year-round process under the direction of the Director in consultation with his/her management team. All staff shall submit preliminary budgets for their own programs, together with plans and details, in accordance with a schedule issued by the Director.

Budget requests for new or revised programs and courses shall be supported with information affirming their need—such as labor market information and projections, reports from advisory committees, and reports on student interest in the area.

The operating budget will then be presented to the Joint Operating Committee, together with any recommendations of the Director. The Joint Operating Committee may act to recommend the budget as presented or may revise it on the basis of what is best for Western Area Career & Technology Center and its constituent districts before submitting it to the Joint Board for adoption.

Section: Finances
Title: Budget Adoption
Adopted: January 24, 2007

604. BUDGET ADOPTION

It is the philosophy of the Western Area Career & Technology Center that the annual budget proposal represents the position of the Joint Operating Committee, and all reasonable means shall be employed to present and explain the proposed budget to the participating school districts.

Prior to the thirtieth day of April, the Joint Operating Committee shall prepare and approve an annual operating budget. This policy does not preclude budget adoption at an earlier date if necessitated by changes in legislature. The proposed budget shall be submitted to the participating school districts for adoption in accordance with the terms of the Articles of Agreement.

Section: Finances
Title: Tuition Income
Adopted: January 24, 2007

607. TUITION INCOME

When the Western Area Career & Technology Center enrolls students who are residents of a non-participating school district, it shall assess tuition charges in accordance with the School Code.

It shall be the responsibility of the Business Coordinator to invoice tuition for approved students.

Tuition rates shall be determined annually by the Western Area Career & Technology Joint Operating Committee.

Section: Finances
Title: Bank Accounts
Adopted: January 24, 2007

608. BANK ACCOUNTS

A listing of all depositories will be presented to the Western Area Career & Technology Center Joint Operating Committee for approval at the June Joint Operating Committee meeting for the next fiscal year. Any future depositories will be brought to the Joint Operating Committee for recognition and approval.

Each depository shall be required to report monthly to the Business Coordinator on the status of funds in the manner required by law.

Each designated depository shall furnish proper security for deposits in the amount designated by the Joint Operating Committee and in accordance with law.

Each designated depository shall be advised not to cash checks payable to the school but to deposit said checks to the school accounts.

The opening and closing of any investment bank accounts must be brought to the Joint Operating Committee for recognition and approval.

The Joint Operating Committee shall annually obtain quotations for specified banking services prior to designating its depository.

Section: Finances
Title: Investment of School Funds
Adopted: January 24, 2007

609. INVESTMENT OF SCHOOL FUNDS

It shall be the policy of the Western Area Career & Technology Center Joint Operating Committee to optimize its return through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investment.

The primary objectives of investment activities, in priority order, shall be:

Legality – All investments shall be made in accordance with applicable laws of Pennsylvania.

Safety – Safety of principal shall be of the highest priority. Preservation of capital in the portfolio of investments shall be ensured through the mitigation of credit risk and interest rate risk.

Liquidity – Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated. A fiscal year operations anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities concurrent with anticipated cash demands.

Yield – Investments shall be made with the objective of attaining a market average rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

All investments of the school made by an officer and/or employee of the school shall be made in accordance with this policy and a Joint Operating Committee-approved investment program.

Short-Term – any period twelve (12) months or less

Long-Term – any period exceeding forty-eight (48) months' duration

Mid-Range – any period between short-term and long-term

Credit Risk – the risk of loss of principal due to the failure of the security issue or backer of the issue

Interest Rate Risk – the risk that the market value of securities will fall due to changes in general interest rates

Investment Program – the specifically enumerated and Joint Operating Committee approved investment strategy

The Joint Operating Committee shall delegate to the Director and Business Coordinator the responsibility to manage the school's investment program, in accordance with written Joint Operating Committee-approved procedures for operation of the investment program.

The designated individual(s) responsible for investments shall report monthly to the Joint Operating Committee the following:

1. Amount of funds received
2. Interest earned and received to date
3. Types and amounts of each investment and the interest rate on each
4. Names of the institutions where investments are placed
5. Current market value of the funds invested
6. Other information required by the Joint Operating Committee

The Joint Operating Committee directs the Director to have developed written procedures that will ensure compliance with this policy. Such procedures shall include a disclosure form for designated individuals involved in the investment process and/or required written statements for advisors and bidders.

Investments permitted by this policy are those defined in PA School Code, as amended, which are collateralized in accordance with applicable laws.

All securities shall be purchased in the name of the school. And custody of the securities shall be specified within the school's investment program.

All investment advisors or bidders shall verify in writing that they have received a copy of this policy. Such written statement shall indicate that they have read and understand this policy and all applicable statutes related to school investments, along with their intent to comply fully with these requirements.

The school shall require all investment advisors/bidders to submit annually all of the following, as appropriate:

1. Audited financial statements
2. Proof of National Association of Securities Dealers (NASD) certification.
3. Proof of state registration

Disclosure

Designated officers and employees involved in the school's investment process shall disclose any personal business activity that could conflict with the proper execution and management of the investment program or could impair their ability to make impartial decisions.

Audit

The Joint Operating Committee directs that all investment records be subject to annual audit by the school's independent auditors.

The audit shall include but not be limited to independent verification of amounts and records of all transactions, as deemed necessary by the independent auditors.

It shall be the responsibility of the investment advisor and/or bidder to maintain necessary documents to permit independent audit of the school's investments.

Bond Proceeds

Bond proceeds shall be invested in accordance with the Local Government Unit Debt Act and applicable federal and state laws, subject to approval by the solicitor and/or bond counsel and the Joint Operating Committee.

Investment transactions arising from bond proceeds shall be reported annually to the Joint Operating Committee, in accordance with this policy.

Section: Finances
Title: Purchases
Adopted: September 25, 1996
Reviewed: January 24, 2007

610. PURCHASES

The Western Area Career & Technology Center Joint Operating Committee recognizes that the prudent expenditure of public funds for supplies, equipment and contracts is one of its major business functions, and retains the sole authority and responsibility for all purchase transactions of the school. To secure the items necessary for the operation and maintenance of the school as quickly and efficiently as possible, the procurement function is delegated to the administration as follows:

1. All purchasing shall be in accordance with the regulation as established in the Pennsylvania School and State Accounting Codes.
2. The Business Coordinator shall maintain a Purchase Request Procedure and ensure that copies are appropriately distributed.
3. Requisitions from staff members will be channeled through administrative levels for endorsement with final approval being given by the Director or designee.
4. Purchasing and accounting responsibilities shall be coordinated to maintain adequate budgetary controls. Payments are to be made only after receipt of goods and services.
5. Vendor sales representatives shall be discouraged from direct contacts in the school without prior arrangements with the appropriate administrator.
6. All delivery personnel shall report to the main office prior to making deliveries to shop and maintenance areas.
7. Physical and inventory controls shall be established and maintained as part of the purchasing function.
8. A continuing program of standardization of equipment and supplies shall be established in order to promote efficiencies in the purchase, storage, supply and maintenance programs.
 - A. The Director shall be empowered to authorize purchase of supplies, equipment, and other contracts for use in the school costing less than \$4,000 or the most current amount established by PA School Code or the funding source.

- B. Supplies, equipment, and other contracts costing over the maximum amount established in Paragraph A (\$4,000 at the time of this writing) and under the minimum threshold requiring public bidding as established in Paragraph C (currently \$10,000) may be purchased after the Business Office receives three price quotations in writing or by telephone. Records of such quotations shall be maintained in the Business Office.
- C. All supplies, equipment and other contracts costing \$10,000 or more must be publicly bid.

At the beginning of each year, the school shall receive bids for supplies for the following shop areas: Automotive Mechanics, Collision Repair & Technology, Electrical Occupations, Welding and Maintenance.

Section: Finance
Title: Procurement Card
Adopted: January 24, 2007

610.1. PROCUREMENT CARD

The Western Area Career & Technology Center Joint Operating Committee is responsible for establishment of policies in conformance with state laws, which are to be implemented by the Director or his/her designee. The Director or his/her designee is responsible for establishing administrative regulations for procurement cards.

The Business Coordinator is responsible for working with staff in implementing policies and regulations, administering fiscal procedures, maintaining appropriate fiscal records, and prescribing appropriate accounting procedures.

Cardholders are responsible for following Joint Operating Committee policy and carrying out administrative regulations.

General Guidelines

1. The card is to be used for school purchases ONLY.
 - a. Card use for personal purchases is strictly prohibited.
 - b. The card cannot be used for staff travel and entertainment expenses.
 - c. The card cannot be used for capital asset purchases.
2. Failure to comply with these policies and procedures may result in revocation of use privileges and/or disciplinary action. Should the failure to follow the policies and procedures be deemed willful and flagrant, such use shall be grounds for disciplinary action up to and including dismissal. Misappropriation of funds shall require full restitution, including interest, to the school.
3. All questions regarding the appropriate use of the card should be addressed to the Director of Vocational Education or his/her designee.

General Instructions for Use of the Procurement Card

1. Order Placement
 - a. The cardholder will contact a supplier, in person, through an eCommerce web site, or via phone or fax, and provide the following information:
 - i. Name, Bank Procurement Card Number, and Card Expiration Date

- ii. Complete description of the items to be purchased, including stock/catalog numbers where applicable
 - iii. Ship-To location including school or office name and complete street address
 - iv. Inform merchant that school is tax-exempt and that a tax-exemption certificate will be provided upon request
 - v. Request the order/reference number after the order is placed
- b. If ordering by fax, the cardholder must still specify on the fax transmittal the above information with the exception of the purchasing card number. The cardholder must request the supplier to call to obtain the card number upon receipt of the fax transmittal. Under no circumstances shall a card number be written on a fax order.
- c. The cardholder will receive the items and a sales receipt or packing slip.
- i. All documentation including the sales receipt and/or packing slip must be held for reconciliation for auditing purposes.
 - ii. The cardholder will want to make note of the ultimate use of the item for future reference.
- d. At the end of each month, the cardholder will receive a memo statement of the month's purchases.
- i. This memo statement is not an invoice for the cardholder to pay. Finance will pay the bank directly.
 - ii. If all items on the report match the receipts and/or packing slips, the statement should be attached to the appropriate receipts and given to the Business Coordinator for filing.
- e. It is important to remember that each cardholder is responsible for the validity of the purchases.

Returns, Credits and Disputed Items

1. Returns: If the purchased item needs to be returned for any reason, returns will be processed, indicating the reason for the return, on a standard shipping order.
2. Credits: The supplier should issue a credit for any item that has been returned. The credit will appear on a subsequent bank purchasing card memo statement.
3. Disputed Items: If there are any discrepancies, the cardholder will first contact the supplier to resolve the problem. If problems cannot be resolved, the cardholder should contact the Business Coordinator and complete the dispute form located on the back of the memo statement.

Procurement Card Security

1. Card security must be treated with the same level of care as a personal charge card.
2. Storage of the card must be in a secure location, accessible to only the cardholder.
3. The card account number will be secured and not posted at a desk or any other location.
4. When faxing orders, the card number must never be written on the fax transmittal. The cardholder must request that the supplier call to obtain the card number and confirmation.
5. Use of the card by anyone other than the person whose name appears on the card is prohibited.
 - a. The card must not be given to anyone. Each employee authorized to make purchases using a procurement card will be provided their own individual card.
 - b. The cardholder whose name appears on the card may make purchases for any employee within the department, if approved by the Director of Vocational Education.
6. If the card is lost or stolen, the cardholder must IMMEDIATELY notify the Director of Vocational Education or the Business Coordinator.

Tax Procedures

1. The merchant will be told that this is a tax-exempt purchase when the purchase is initiated.
2. Most merchants with whom orders are placed should have a Western Area Career & Technology Center tax-exemption form on file.
3. If the merchant requests the tax-exemption number or a tax-exemption certificate, obtain the name and address of the person to whom that information should be sent and give that information to the Business Coordinator.

Cycle Review Procedures

1. The cardholder
 - a. Must review the memo statement to ensure that all transactions were initiated and approved and that the merchandise was received and/or a service was performed.
 - b. Will sign the monthly statement to acknowledge receipt of all goods and/or services, as well as approval of expenditures.
 - c. Is responsible to ensure that any credits due from suppliers are received. (Note: A credit may not appear immediately on the statement; it may appear on the next statement that is received. The cardholder will make a special note if this occurs to ensure that the credit is received.)

2. Receipts and memo statements must be maintained in the Business Office files.
3. The Director and/or the Business Coordinator must be notified IMMEDIATELY if there are any exceptions or discrepancies.
4. The Director his/her designee will review the monthly statement for compliance with administrative regulations for procurement cards.
5. The Director or his/her designee shall review the school's monthly statement for compliance with accounting procedures for procurement cards. This examination shall include examination on a test basis of procurement card transactions.

Audit Procedures

1. Internal Audits

- a. Internal audits are performed by the Business Office and are an in-depth examination of the financial procedures utilized by the school. The Business Office evaluates the internal controls and bases his/her audit procedures on his/her assessment of the adequacy of these controls. The system of internal controls shall be adequate to safeguard the assets of the school. Financial transactions will be examined to determine that they are in accordance with Joint Operating Committee policy, established procedures, laws and regulations. Internal audits are important to assure that the controls in place are being followed and to provide assurance that the risk of fraud is significantly reduced. Internal audits are also mandated by the School Code.
- b. The Director or his/her designee shall audit the school's monthly statement for compliance with administrative and accounting procedures. This audit shall include examination on a test basis of procurement card transactions.

2. External Audits

- a. External audits must be performed according to § 2401 of the School Code. External audits are an examination of the financial statements and the expression of an opinion as to whether the financial statements present fairly the financial position of the school in accordance with generally accepted accounting principles. The Single Audit must be performed by certified public accountants.
- b. Periodically the Bureau of School Audits, Department of the Auditor General, conducts audits of school district funds for each school year. These audits are performed to determine compliance with state laws and regulations and with the school's own policies. The Auditor General may cite districts for improper procedures and inform the Joint Operating Committee and the Pennsylvania Department of education of appropriate corrective action.

WACTC

Western Area Career & Technology Center

EMPLOYEE PROCUREMENT CARD USAGE AGREEMENT

Your participation in the Procurement Card Purchasing Program is a convenience that carries responsibilities along with it. Although the card is issued in your name, it should be considered the property of Western Area Career & Technology Center and should be used with good judgment. Your signature below verifies that you understand, and agree to comply with, the Procurement Card Purchasing Program guidelines as outlined below and as contained in the attached Procurement Card Policy.

- The Procurement Card is provided to employees based on their need to purchase business-related goods and services. A card may be revoked at any time based on change of assignment or location. The card is not an entitlement nor reflective of title or position.
- The card is for business-related purchases only. Personal charges are not to be made to the card.
- You are the only person entitled to use the card and are responsible for all charges made against the card.
- Improper use of the card can be considered misappropriation of the school's funds, which may result in disciplinary action up to and including termination.
- All charges are billed directly to and paid directly by the school. Any personal charges on the card could be considered misappropriation of school funds since the cardholder cannot pay the bank directly.
- Cardholders are expected to comply with internal control procedures in order to protect school assets. This includes keeping receipts, reconciling Procurement Card purchasing monthly memo statements, and following proper card security measures.
- Cardholders are responsible for reconciling their Procurement Card purchasing monthly memo statement and resolving any discrepancies by contacting the supplier and the bank.
- Each account is assigned a cost accounting code by the administration and purchases will be automatically charged to that code. The code can only be changed by administration approval. If changed, a new accounting code does not affect past charges, only future charges.
- A lost or stolen card should be reported immediately to the Business Office.
- A cardholder must surrender the card upon termination of employment (i.e., retirement or voluntary/involuntary termination). At this point, no further use of the account is authorized.

Cardholder Signature

Supervisor's Signature

Cardholder Printed Name

Date

Supervisor's Printed Name

Date

WACTC

Western Area Career & Technology Center

Section: Finances
Title: Purchases Budgeted
Adopted: January 24, 2007

611. PURCHASES BUDGETED

It is the policy of the Western Area Career & Technology Center Joint Operating Committee that when funds are available, all purchases contemplated within the current budget and not subject to bid shall be made in a manner that ensures the best interests of the school.

All purchases that are within budgetary limits may be made upon authorization of the Director.

All purchase order requests shall be referred to the Director or designee who shall check whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the school.

Section: Finances
Title: Purchases Not Budgeted
Adopted: January 24, 2007

612. PURCHASES NOT BUDGETED

The laws of the Commonwealth and the interest of the community required fiscal responsibility by the Western Area Career & Technology Center Joint Operating Committee in the operation of the school. Appropriate fiscal controls shall be adopted to ensure that public funds are not disbursed in amounts in excess of the appropriations provided this school.

When funds are not available for a proposed appropriation, a legal transfer from one class of expenditure to another may be made by the Joint Operating Committee in the last nine (9) months of the fiscal year if it is apparent that the necessary surplus funds do exist in another appropriation. In addition, the procedures specified in the School Code shall be followed, and it shall be demonstrated that the proposed expenditure would be educationally warranted in the current fiscal year.

In the event that the required time for the Joint Operating Committee to act in accordance with its regular procedures does not exist, would endanger life or property or threaten continuance of existing school classes, a purchase order may be authorized by the Director or the Business Coordinator. This procedure shall be utilized to maintain the existing educational program or to forestall life or property threatening situations.

Any expenditures in excess of appropriation made in conformance with this policy shall be reported to the Joint Operating Committee at the next meeting with a recommendation of funds to be transferred to cover said purchase.

Section: Finances
Title: Cooperative Purchasing
Adopted: January 24, 2007

613. COOPERATIVE PURCHASING

The Western Area Career & Technology Center Joint Operating Committee recognizes the advantages of centralized purchasing. Therefore, the Joint Operating Committee encourages the administration to seek the benefits and savings that may accrue through joint agreements with other political subdivisions for the purchase of supplies, equipment or services.

The Joint Operating Committee, at its option, will join in cooperative purchasing with the joint purchasing board of Intermediate Unit I to take advantage of lower prices for bulk purchasing and reduction of administrative costs involved in bidding, and authorizes the Business Coordinator and/or Director to negotiate appropriate cooperative purchase agreements with other political subdivisions, in accordance with law and Joint Operating Committee policy.

Cooperative purchases require an agreement approved by the Joint Operating Committee and the participating contracting body(s) which shall specify:

1. Categories of equipment or supplies to be purchased
2. Manner of advertising for bids and awarding contracts
3. Method of payment by each participating party
4. Other matters deemed necessary to carry out the purposes of the agreement

Section: Finances
Title: Payroll Authorization
Adopted: January 24, 2007

614. PAYROLL AUTHORIZATION

Employment of all permanent, temporary, and part-time school personnel must be approved by the Western Area Career & Technology Center Joint Operating Committee. It shall authorize payment of salaries or wages to employees.

Actions by the Joint Operating Committee to employ or to reemploy on a contractual basis shall include the name of the individual, position title, salary to be paid over the term of the contract, period of employment, position classification.

Actions by the Joint Operating Committee to employ temporary or part-time personnel shall include the name of the individual, position title, rate of pay, position classification, period of time during which said authorization is valid.

The Joint Operating Committee shall note in its minutes all actions with regard to resignation, retirement, death or discharge of all employees or the non-retention of a temporary professional employee. Each action shall include the name of the employee, date upon which salary or wages will terminate, and the position formerly held.

Daily sign-in and sign-out procedures adequate to meet wage and hour requirements and Joint Operating Committee policy may be required of all employees.

Salary or wages may be withheld for unapproved time off in accordance with Joint Operating Committee policy.

Overtime may be scheduled and paid when authorized in advance by the Director.

Western Area Career & Technology Center

Section: Finances
Title: Payroll Deductions
Adopted: January 24, 2007

615. PAYROLL DEDUCTIONS

The Western Area Career & Technology Center Joint Operating Committee may, at its discretion, act on behalf of individual employees to deduct a certain amount from the employee's paycheck and remit an equal amount to an agent designated by the employee. It is the intent of this policy to designate those purposes not otherwise mandated by law for which the Joint Operating Committee is willing to act on behalf of the employee.

No deduction may be made from the wages of an employee except for federal or state income tax, county tax, PA unemployment, county tax, municipal or school taxes, social security and school employees' retirement fund without proper authorization by the employee.

The Joint Operating Committee shall permit deductions from an employee's paycheck upon proper authorization on the appropriate form for the following purposes:

1. Dues of the Association, PSEA and NEA dues for the duration of the collective bargaining agreement
2. Employee contributions to group insurance/annuity programs which have been or may be approved by the Joint Operating Committee
3. Membership dues for professional organizations as approved by the Joint Operating Committee
4. Employee deductions for the School Employees Credit Union

The Joint Operating Committee reserves the right to limit service providers offering tax deferred annuity plans that qualify under Section 403 (b) of the Internal Revenue Service Code.

Service providers shall sign an approved 403 (b) Retirement Program Service Provider Agreement prior to being assigned as an assigned provider.

Employees shall utilize the approved Salary Reduction Agreement form for all 403 (b) changes.

Section: Finances
Title: Payment of Bills
Adopted: January 24, 2007

616. PAYMENT OF BILLS

It is the intent of the Western Area Career & Technology Center's Joint Operating Committee to direct prompt payment of bills, but at the same time to ensure that due care has been taken in the review of the school's bills.

Each bill or obligation of this Joint Operating Committee must be fully itemized, verified and passed upon by the Joint Operating Committee before a check can be drawn for its payment, except that the Joint Operating Committee Secretary or designees is permitted to draw payment orders for:

1. The prompt payment of items that will accrue to the school's advantage
2. Progress payments to contractors as specified in a contract approved by the Joint Operating Committee
3. Orders to cover approved payrolls and agency account deposits.
4. Utility bills
5. Bills in months during which the Joint Operating Committee does not meet
6. Discount and penalty items
7. Routine operating items (e.g., postage, small cash-only items, etc.)

It shall be the responsibility of the Business Coordinator or designee upon receipt of an invoice to verify that the purchase invoice is in order, goods were received in acceptable condition or services were satisfactorily rendered, funds are available to cover the payment, the Joint Operating Committee had budgeted for the item, and invoice is for the amount contracted.

Should the invoice vary from the acknowledged purchase order, the Business Coordinator or designee shall document on the invoice the reason for such variance.

Should funds not be available in the account to which a proposed purchase will be charged, the Business Coordinator shall determine the overage and request the Joint Operating Committee make a legal transfer to cover it.

All claims for payment shall be submitted to the Joint Operating Committee and recorded in the minutes of the Joint Operating Committee meeting. The list of bills should include for each the name of the vendor, amount of remittance and purchase order number.

No checks shall be made out to cash.

Prior to the Joint Operating Committee's consideration of the bills for payment, each invoice shall be reviewed by the Business Coordinator.

Upon Joint Operating Committee approval of an order, the Business Coordinator shall prepare a check for payment and cancel the commitment placed against the appropriate account.

All checks issued for the purpose of resolving financial obligations of the Western Area Career & Technology Center shall bear three signatures, either by stamp or by live signature, with the requirement that at least one signature be live of the individuals currently serving in the capacities authorized to endorse checks. Only the individuals currently serving in the capacities listed below are authorized to endorse Western Area Career & Technology Center checks:

President of the Joint Operating Committee
Treasurer of the Joint Operating Committee
Secretary of the Joint Operating Committee
Business Coordinator
Vocational Director

Signature stamps for all the individuals currently serving in those capacities authorized to endorse checks shall be on file and housed in the Western Area Career & Technology Center business office.

Section: Finances
Title: Sales and Use Tax
Adopted: January 24, 2007

616.1. SALES AND USE TAX

The Western Area Career & Technology Center shall comply with all applicable sections of the Pennsylvania Sales and Use Tax Regulations. The school shall be defined as a Political Subdivision of the Commonwealth and shall be governed by Section 32.23 of the Sales and Use Tax Regulations.

The following guidelines for compliance shall be implemented:

1. The sales tax exemption number may only be utilized by the school organization. The school organization shall be defined as those entities for which the Joint Operating Committee maintains financial fiduciary responsibilities.
2. The Director and/or Business Coordinator shall be the authorized agent(s) to make the purchases in the name of and from funds of the Western Area Career & Technology Center.
3. The sale at retail of tangible personal property or services, which is taxable according to Sales Tax Regulations, is subject to the imposition of the tax. The tax shall be collected and remitted to the Department of Revenue.
4. The determination on the taxability of items shall be made by utilizing the Retailers' Information Booklet printed by the PA Department of Revenue.
5. Sale of food and beverages on the school premises is considered as the ordinary course of its activities and therefore is excluded from sales tax collection.

Section: Finances
Title: School Audit
Adopted: January 24, 2007

619. SCHOOL AUDIT

The Western Area Career & Technology Center Joint Operating Committee recognizes the importance of the public's right to have access to the public records of the school, including public financial records. The public has the right under law to inspect and procure copies of the annual audit conducted by the school's accountants and the audit conducted by the Commonwealth's Auditor General's office.

The Joint Operating Committee recognizes its obligations as an elected body to represent the best interests of all its constituents. Therefore, the Joint Operating Committee shall make the results of both the school's accountants' audit and the Auditor General's audit available to the public at the Business Office of the school.

The Joint Operating Committee believes that the two (2) available audits provide adequate safeguards for the public interest. Therefore, special audits by special interest groups are not permitted.

WACTC

Western Area Career & Technology Center

Section: Finances
Title: Returned Checks
Adopted: January 24, 2007

620. RETURNED CHECKS

The Western Area Career & Technology Center Joint Operating Committee mandates that any bank charges and/or fees incurred by the Western Area Career & Technology Center for checks returned due to insufficient funds will be passed on to the person who issued the check.

The Joint Operating Committee recognizes its financial and ethical responsibility to not act as a subsidizing entity to the public.

WACTC

Western Area Career & Technology Center

Section: Finances
Title: Returned Checks
Adopted: January 24, 2007

620. RETURNED CHECKS

The Western Area Career & Technology Center Joint Operating Committee mandates that any bank charges and/or fees incurred by the Western Area Career & Technology Center for checks returned due to insufficient funds will be passed on to the person who issued the check.

The Joint Operating Committee recognizes its financial and ethical responsibility to not act as a subsidizing entity to the public.

Section: Finances
Title: Capital Assets
Adopted: September 25, 2002
Reviewed: January 24, 2007

622. CAPITAL ASSETS

The Western Area Career & Technology Center Joint Operating Committee recognizes the need to implement the required accounting and financial reporting standards stipulated by the Pennsylvania Department of Education.

The Western Area Career & Technology Center Capital Assets Policy follows the requirements set forth by the Governmental Accounting Standards Board Statement No. 34 as it pertains to Capital Asset Reporting.

The policy applies to the acquisition and depreciation of capital assets. Capital assets include land, improvements to land, buildings and building additions, building improvements, furniture, fixtures and equipment, equipment under capital lease, vehicles, works of art and historical treasures, construction-in-progress, and infrastructure. Capital assets are tangible assets used in operations and have initial useful lives extending beyond a single reporting period. Equipment will not change its original shape, appearance, or character with use and can be expected to last more than one (1) year with reasonable care and maintenance.

The Joint Operating Committee delegates to the Director the responsibility to coordinate the compilation and preparation of all information necessary to implement this policy. The designated individual(s) shall be responsible for implementing the necessary procedures to establish and maintain fixed asset inventory, including depreciation schedules.

Purchased capital assets greater than \$1,500 should be recorded at historical/original cost. The cost of a capital asset should include capitalized interest and ancillary charges necessary to place the asset into its intended location and condition for use. Ancillary charges include costs that are directly attributable to asset acquisition, such as freight and transportation charged, site preparation costs, and professional fees.

Purchases less than \$1,500, but have lives that extend beyond one (1) year and need to be controlled for insurance purposes, should be classified as non-capital equipment expenditures and coded to the object specified by the Pennsylvania Public School Accounting Manual. Purchases less than \$1,500 and consumed within the fiscal year are treated as supplies and coded to the supply objects prescribed by the Pennsylvania Public School Accounting Manual.

Group purchases of assets greater than \$1,500 should be recorded at historical costs. Group assets are assigned to one specific location, are moveable property requiring loss control, and have a useful life extending beyond a single reporting period. Group assets include classroom furniture, classroom texts, and computer equipment. Group purchases less than \$1,500 are not capitalized.

Depreciation shall be computed on a straight-line basis over the useful lives of the assets, using an averaging convention. Normal maintenance and repairs shall be charged to expense as incurred; major renewals and betterments that materially extend the life or increase the value of the asset shall be capitalized. A schedule of accumulated depreciation shall be consistent from year to year. Capital assets should be depreciated over their useful lives as determined for each asset class. Land, and some land improvements, are considered inexhaustible, and are therefore not subject to depreciation.

Donations

Donated capital assets must be reported at fair market value plus ancillary charges, if any, at the time of donation. Donated assets are depreciated over their useful lives as determined for each asset class. If determining historical costs is not practical due to inadequate records, reporting should be based on estimates of fair market value at the date of donation.

Infrastructure

Infrastructure assets are long-lived capital assets that normally are stationary in nature and can normally be preserved for a significantly greater number of years than most capital assets. Infrastructure includes roads, electrical distribution systems, street lighting, water wells, etc.

- A. Infrastructure assets should be depreciated over the useful lives.
- B. Routine repairs and maintenance costs are charged to operations as incurred. Expenditures that extend the useful life of the infrastructure are capitalized as part of the asset and depreciated over the newly established useful life.

Useful Lives

Useful lives of fixed assets relate to the life expectancy as used by the specific governmental unit. The following table should be used to assist Western Area Career & Technology Center in estimating the useful life of a capital asset.

Asset Class	Examples	Years / Range
Land		N/A
Site Improvements	Paving, Flagpoles, Retaining Walls, Sidewalks, Fencing	20
School Buildings		40
HVAC Systems	Heating, Ventilation, and Air Conditioning Systems	25
Roofing		20
Interior Construction		25
Carpet Replacement		7
Electrical / Plumbing		25
Sprinkler / Fire System		25
Outdoor Equipment	Playground, Radio Towers, Fuel Tanks, Pumps	20
Machinery and Tools	Shop and Maintenance Equipment, Tools	10
Kitchen Equipment	Appliances	15
Custodial Equipment	Floor Scrubbers, Vacuums, Other	7
Furniture and Accessories	Classroom and Office Furniture	20
Business Machines	Fax, Duplicating and Printing Equipment	5
Communication	Mobile, Portable Radios, Non-Computerized	5
Computer Hardware	PC's, Printers, Network Hardware	5
Computer Software	Instructional, Other Short-Term	5
Computer Software	Administrative or Long-Term	7
Audio Visual Equipment	Projectors, Cameras (Still and Digital)	7
Licensed Vehicles	Buses, Other On-Road Vehicles	10
Grounds Equipment	Mowers, Tractors, Attachments	15

Source: ASBO

Western Area Career & Technology Center

Section: Finances
Title: Capital Reserve Fund
Adopted: April 25, 2007
Reviewed:

624. CAPITAL RESERVE FUND**Purpose**

The purpose of this policy is to establish criteria for the deposit and expenditure of monies designated as the capital reserve fund of the Western Area Career & Technology Center.

Composition

Monies deposited to the capital reserve fund shall be paid by and allocated to the member school districts based upon the proportion which the market valuation of each member school district bears to the total market valuation of all the member school districts. The market value shall be that established by the Pennsylvania State Tax Equalization Board as of the fiscal year immediately preceding that fiscal year in which payment of capital reserve contributions is to be made.

Investment

The monies in the capital reserve fund shall be kept separate and apart from any other fund. The annual financial report of the Western Area Career & Technology Center shall show the amount of monies in the capital reserve fund which shall at all times be properly identified as to its purpose.

The monies in the capital reserve fund may be invested only in securities legal for the investment of school district monies as authorized by the Public School Code. The interest earnings on investments shall be paid into the capital reserve fund and annually allocated among the member districts in such proportion as their respective aggregate contributions bears to the total amount of the capital reserve fund.

Expenditures

Monies in the capital reserve fund may be expended, upon approval of a majority of the members of the Joint Operating Committee, and shall account for all equipment purchases and/or facilities maintenance projects of a capital nature. There shall be no other purpose for the expenditure of capital reserve funds.

Monies in the capital reserve fund may be expended for the construction of new buildings or additions to existing buildings only upon a majority vote of all of the voting members of the Joint Board of Western Area Career & Technology Center and by a concurring vote of two-thirds of the member school districts.