



Policy Category	Facilities/Operations
Policy Name	Capital Expenditures
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Board Approval Date	05-07-2015
District Required	Yes___ No___
Committee Names	Kuric, Raskin

CODING

CMO_SUGGESTED _____
SCV_DRAFT _____
SCV_APPROVED _____

Secretary Initials _____

Capitalization

Changes in procedures/practices with regards to how SCVi capitalizes purchases will be retroactive to July 1, 2012:

1. Capitalization threshold will be \$1000
2. Capitalization Categories:
 - a. Equipment (includes Furniture & Computers)
 - b. Building Improvements
 - c. Land Improvements
3. Purchases made in bulk can be capitalized as long as the total purchase meets the capitalization threshold.
4. Costs associated with the purchase can be captured in valuing the asset purchase. These costs can be peripherals needed for equipment to be useful, sales tax, shipping costs, and any other setup costs.
5. Estimated life will be determined using the California State Accounting Manual and best business practices.

Purchasing and Cash Disbursement Approvals

Changes in procedures/practices with regards to how cash disbursements are approved will be effective October 1, 2013, and are as follows:

1. Invoices/Bills/Reimbursements will be reviewed at SCVi, approved for payment by authorized personnel and sent to the CMO (iLead Schools Development) for processing, in accordance with the following:
 - a. Proof of Cash Disbursement Approval – authorized personnel will initial or sign all invoices/bills/reimbursements to show proof of review and approval of cash disbursement.

b. The list of personnel who are authorized by the school to approve cash disbursements will be reviewed annually and reauthorized.

c. Limits:

- i. Invoices/Bills/Reimbursements totaling under \$5000 requires one authorizer's approval (signature or initials) within the scope of authorized allowances (see annual list of authorized personnel)
- ii. Invoices/Bills/Reimbursements totaling \$5000 or more requires two authorizers' approvals (signatures or initials), one of which will be a School Director or Executive Director
- iii. Authorizers cannot approve or authorize their own cash disbursements.
- iv. For all regularly occurring expenses that include a 10% increase over the preceding expenses (monthly, biweekly, or weekly depending on the billing cycle), an additional approval by a School Director, Executive Director, or the Facilities Director is required. These regularly occurring expenses can include, but are not limited to facilities rent and monthly utilities bills.

2. School credit cards: will be used only when no other avenues are available. Credit card receipts will be maintained, entered into the accounting system, and approved by the School Purchaser (in accordance with above limits). Monthly credit card statement packets (one packet per school credit card) with receipts matching all charges will be reviewed and maintained by the School Purchaser. Monthly credit card packets will be reviewed and approved by a School Director, Department Director, or Executive Director. Once approved, monthly credit card packets will be sent to the CMO additionally.

3. Purchasing: the School Purchaser is authorized to make school purchases as requested or approved by School Directors, Executive Directors, or by approved school budgets. The School Purchaser will maintain records for proof of the necessity of all orders (approved email requests, approved budgets, etc.). When invoices/bills are received, the School Purchaser will verify that the goods were received as well and will process the invoices/bills for payment (see no. 1 above).

Adopted:

Amended:

Authorized Personnel for Cash Disbursements	
Employee Title	Areas of Approval
School Purchaser	Invoices/Bills/Reimbursements for supplies, equipment, group expenses, etc, including general regularly occurring expenses. Prior approval from a School Director or Executive Director through email request for purchases/travel or approved budgets are required. Cannot authorize legal or consulting services bills.
Directors (School, Departments, etc)	Invoices/Bills/Reimbursements for supplies, equipment, travel, professional development, groups, etc, including general regularly occurring expenses. Can approve legal and consulting services bills.
Executive Director	Invoices/Bills/Reimbursements for supplies, equipment, etc, including general regularly occurring expenses. Can approve legal and consulting services bills.
Home School Purchaser	Invoices/Bills/Reimbursements for home study expenses, as long as they are accompanied by a Purchase Order approved by the Home Study Director.
Facilities Director	Invoices/Bills/Reimbursements for special pre-approved expenses (site expansion, classroom upgrades, etc), or for regularly occurring utilities expenses (including variances).