

AGENDA

Method Schools Regular Meeting of the Board of Directors

Tuesday, July 12, 2022, 6:00 PM

24620 Jefferson Ave, Murrieta, California

<https://methodschools.zoom.us/j/99148636857?pwd=T1lpY0MxWTFyZzVJVitldXVlcHI5Zz09>

Instructions for Presentations to the Board by Parents and Citizens

Method Schools ("School") welcomes your participation at the School's Board meetings. The purpose of a public meeting of the Board of Directors ("Board") is to conduct the affairs of the School in public. Your participation assures us of continuing community interest in our School. To assist you in the ease of speaking/participating in our meetings, the following guidelines are provided:

Agendas and "Submit a Public Comment" forms are available via the link on our website on the Board Page. If you wish to speak, please fill out the form and specify the agenda item on which you wish to speak. When addressing the Board, speakers are requested to state their name and address and adhere to the time limits set forth.

Public Communication on Non-Agenda Issues: This is an opportunity for members of the audience to raise issues that are not specifically on the agenda. You will be given an opportunity to speak for a maximum of three (3) minutes and total time allotted to non-agenda items will not exceed fifteen (15) minutes. Non-English speakers requiring translation are allotted a maximum of six (6) minutes. Due to public meeting laws, the Board can only listen to your issue and not respond or take action. The Board may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item

Agenda items: To address the Board on agenda items, please specify the item on which you wish to speak on your "Public Comment". You will be given an opportunity to speak for up to three (3) minutes when the Board discusses that item.

3. Public Records: Any public records relating to an agenda item for an open session of the Board that are distributed to the Board members shall be available for public inspection at the School office. Minutes of each Board meeting will also be available at the School office.

Americans with Disabilities Act (ADA): Upon request, the School will furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate assistance in order to participate in Board meetings are invited to contact Method Board Secretary Gloria Vargas at gvargas@methodschools.org by noon of the business day preceding the board meeting.

Translation services: Translation services are available by notifying the above school office by noon of the business day preceding the board meeting.

AGENDA

Method Schools Regular Meeting of the Board of Directors

1.0 Call to Order:

2.0 Roll Call

Present:

Absent:

Method Staff:

3.0 Public Communication on Non-Agenda Items

-

4.0 Emergency Findings: Consideration of findings to continue to hold virtual meetings pursuant to AB 361, including without limitation that: (1) the State and local state of emergency due to the COVID-19 pandemic continues to directly impact the ability of members to meet safely in person, (2) state and local officials continue to recommend social distancing measures, and (3) meeting in person would present imminent risks to the health or safety of attendees and/or the state of emergency continues to directly impact the ability of the members to meet safely in person due to the prevalence of the Delta variant of the COVID-19 virus, the indoor setting of meeting facilities, the potential presence of unvaccinated individuals attending meetings, the potential for noncompliance with mask wearing requirements, and desire to protect the health of immuno-compromised persons.

5.0 Reports

- **CEO:**
 - **Founder Evaluations**
- **CBO:**
- **Senior Director of Schools:**
 - **Student Highlights**

6.0 Action: 3010 Fiscal Policies & Procedures

Discussion:

7.0 Action: 3050 Asset/Equipment Care and Return Policy

Discussion:

8.0 Consent Items: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board's votes on them.

- **Approval of June 1, 2022 Meeting Minutes**

9.0 Information/ Discussion Items:

- **Method Vehicles**

AGENDA

Method Schools Regular Meeting of the Board of Directors

- 10.0 Upcoming Agenda Items**
- **2022-23 OKRs**

- 11.0 Board Member Reports:**

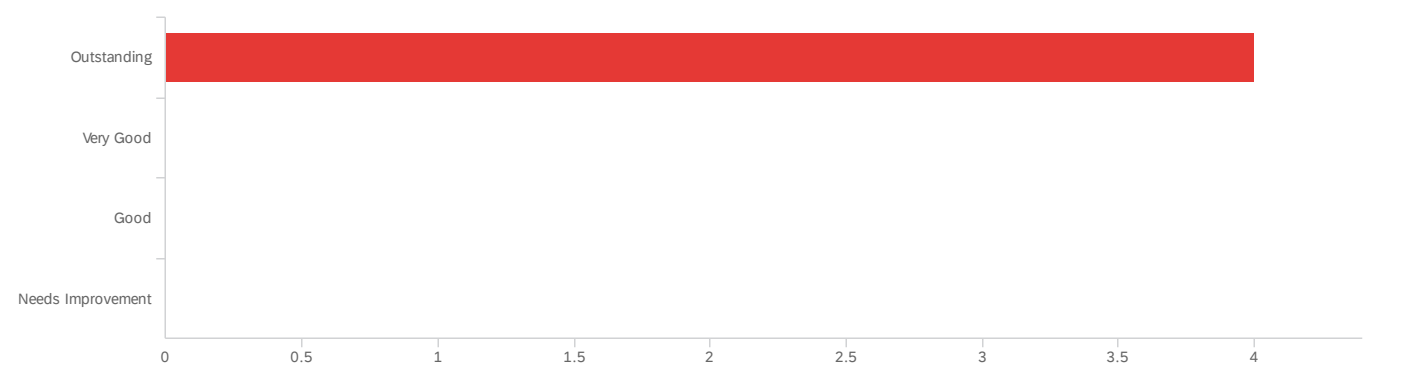
- 12.0 Action: Motion to Adjourn the Meeting**

Default Report

2021-22 CEO Evaluation

July 8, 2022 4:44 PM MDT

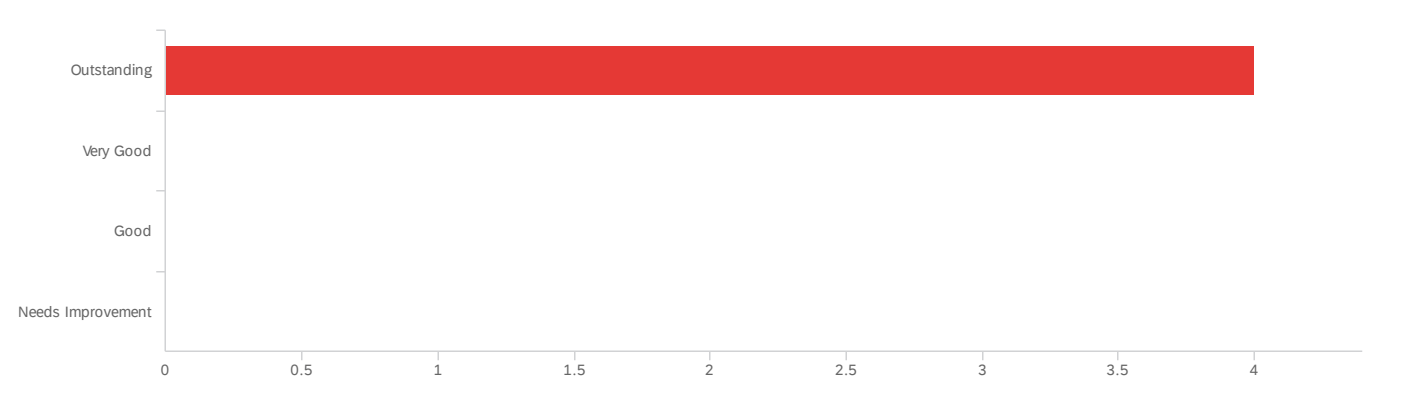
1 - Works with the Board and staff to develop strategies for achieving mission, goals and financial viability



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Works with the Board and staff to develop strategies for achieving mission, goals and financial viability	1.00	1.00	1.00	0.00	0.00	4

#	Field	Choice Count
1	Outstanding	100.00% 4
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

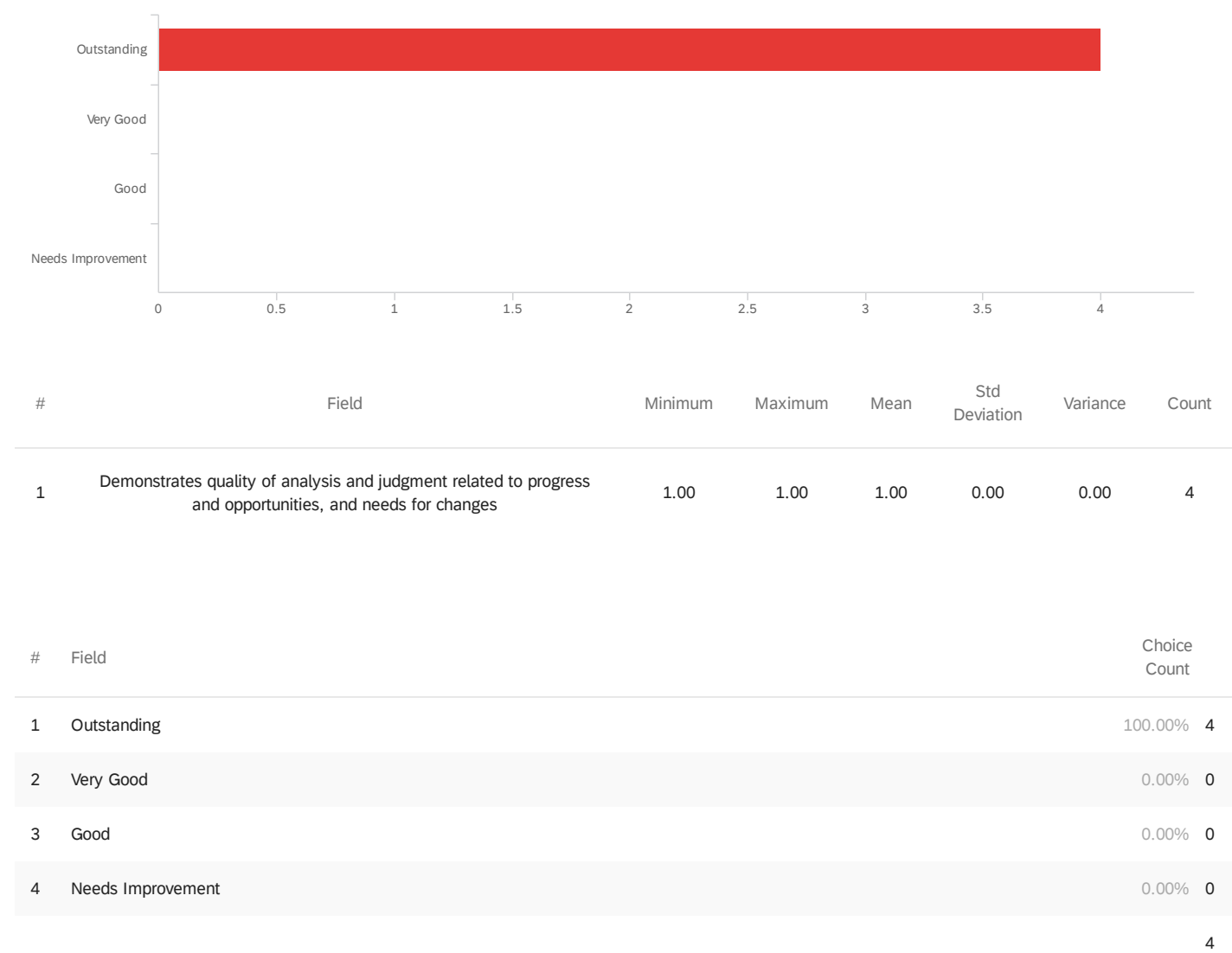
2 - Appropriately provides both support and leadership to the Board



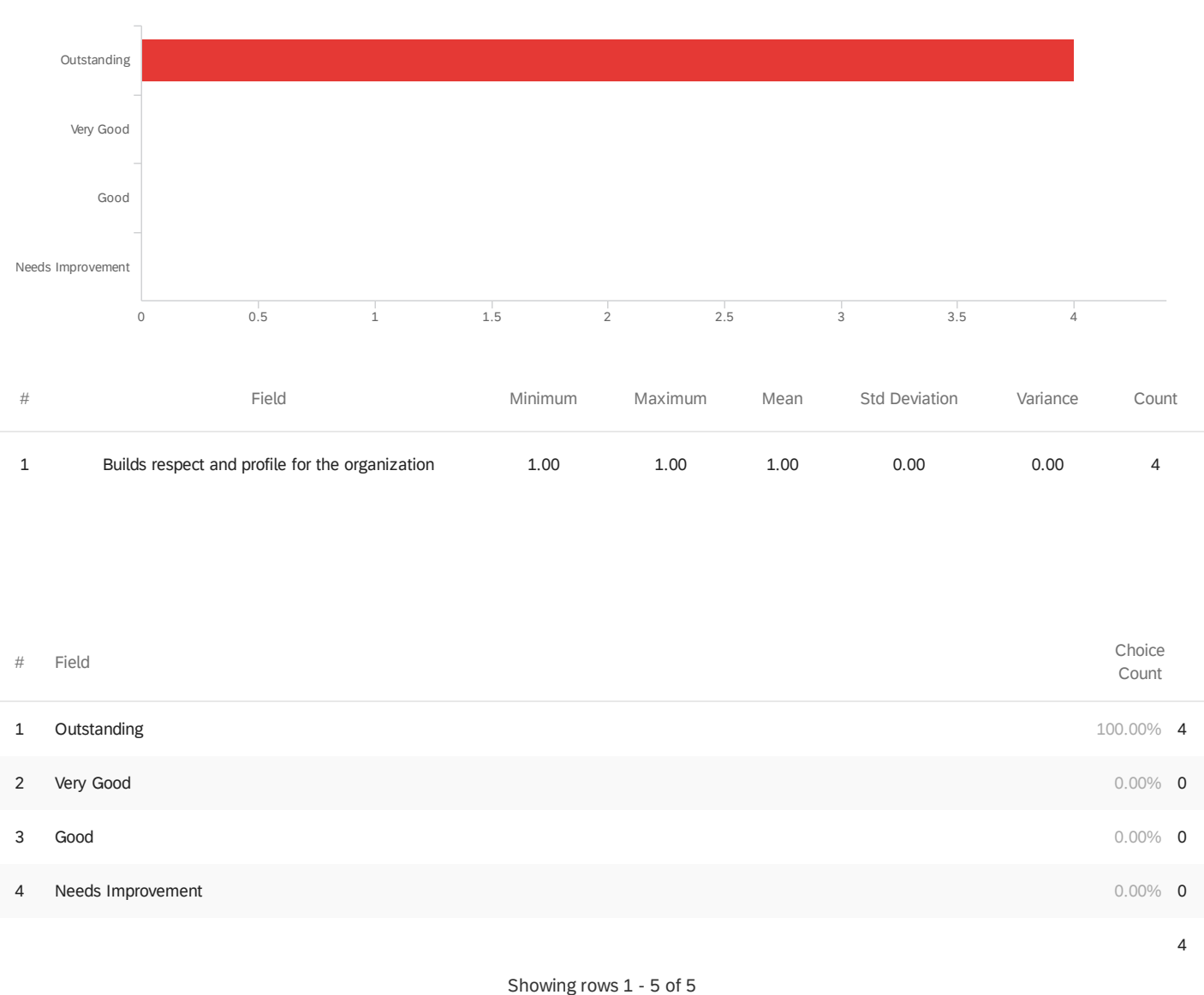
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Appropriately provides both support and leadership to the Board	1.00	1.00	1.00	0.00	0.00	4

#	Field	Choice Count
1	Outstanding	100.00% 4
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

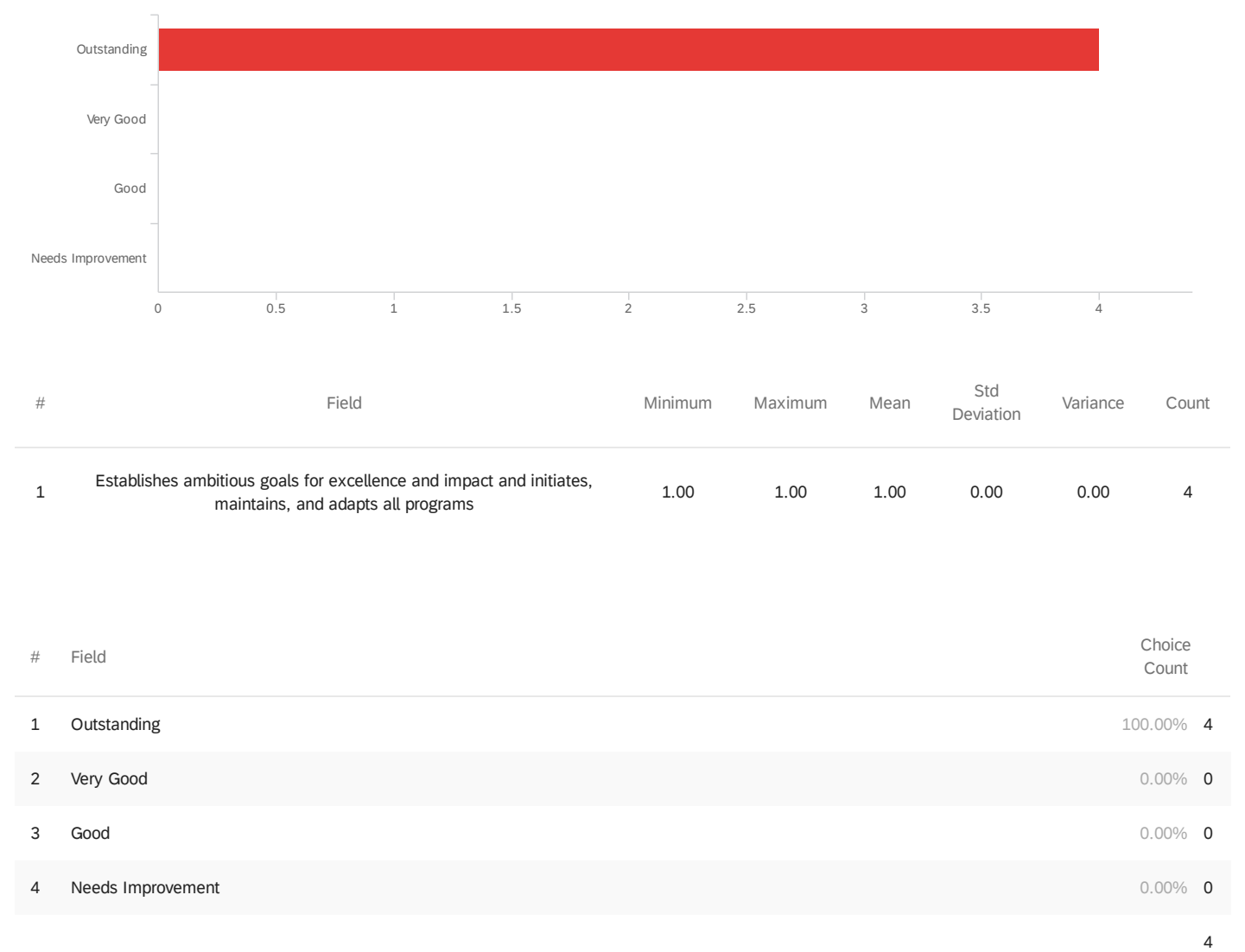
3 - Demonstrates quality of analysis and judgment related to progress and opportunities,
and needs for changes



4 - Builds respect and profile for the organization



5 - Establishes ambitious goals for excellence and impact and initiates, maintains, and adapts all programs



6 - Comments on Overall Organizational Performance

Comments on Overall Organizational Performance

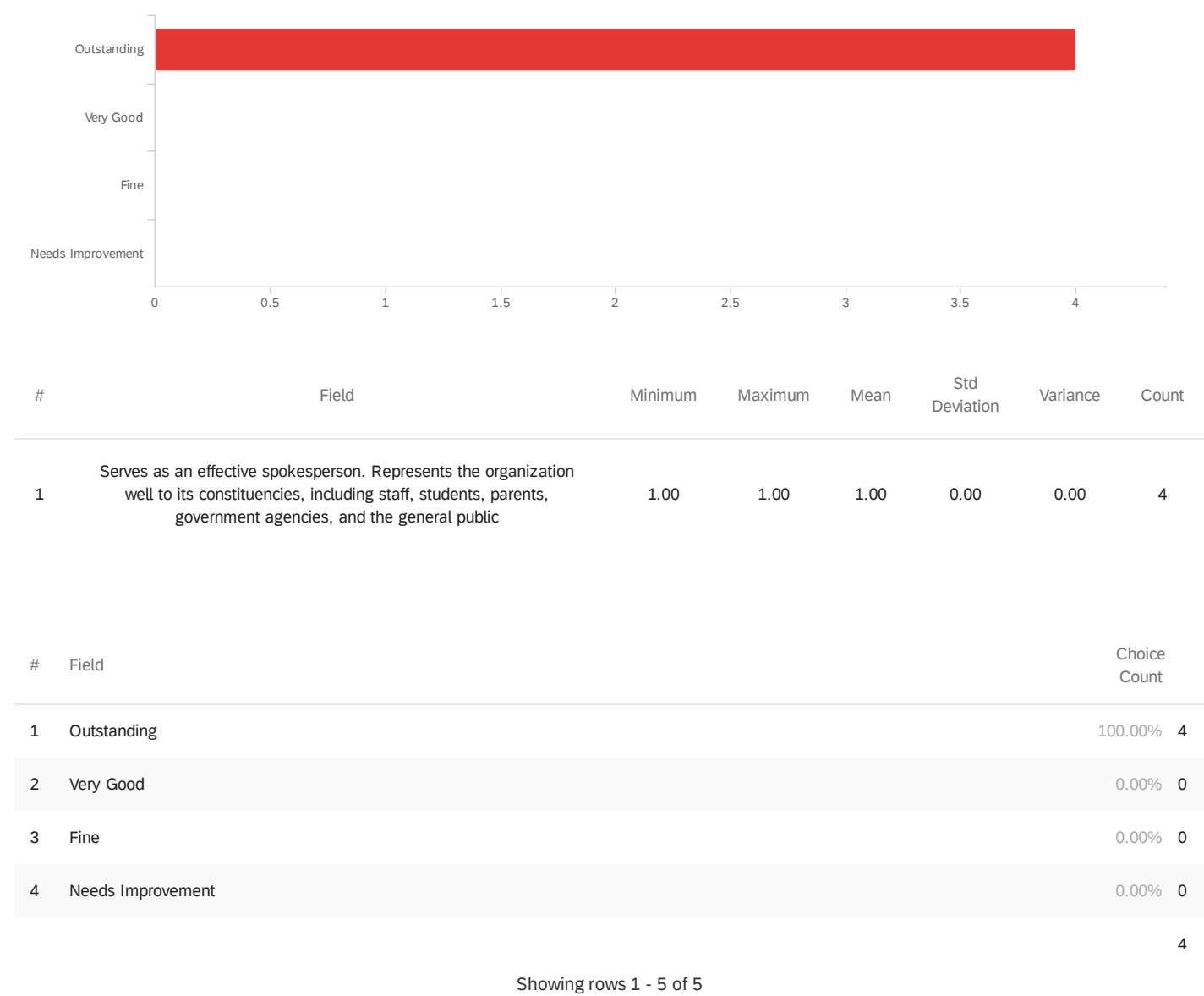
Jessica consistently pushed Method to respond to the changing K-12 landscape always ensuring that the needs of our students, families, and staff come first.

Well done in continuing to keep students in the center of the focus.

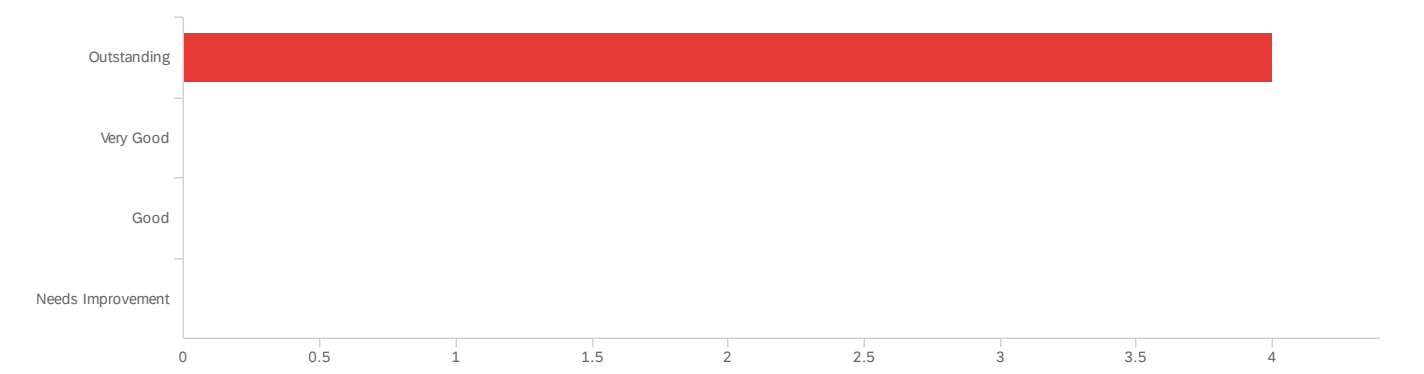
I appreciate that the CEO clearly and demonstrably puts students first. Her leadership permeates throughout the entire organization.

Excellent Leadership across the organization.

7 - Serves as an effective spokesperson. Represents the organization well to its constituencies, including staff, students, parents, government agencies, and the general public



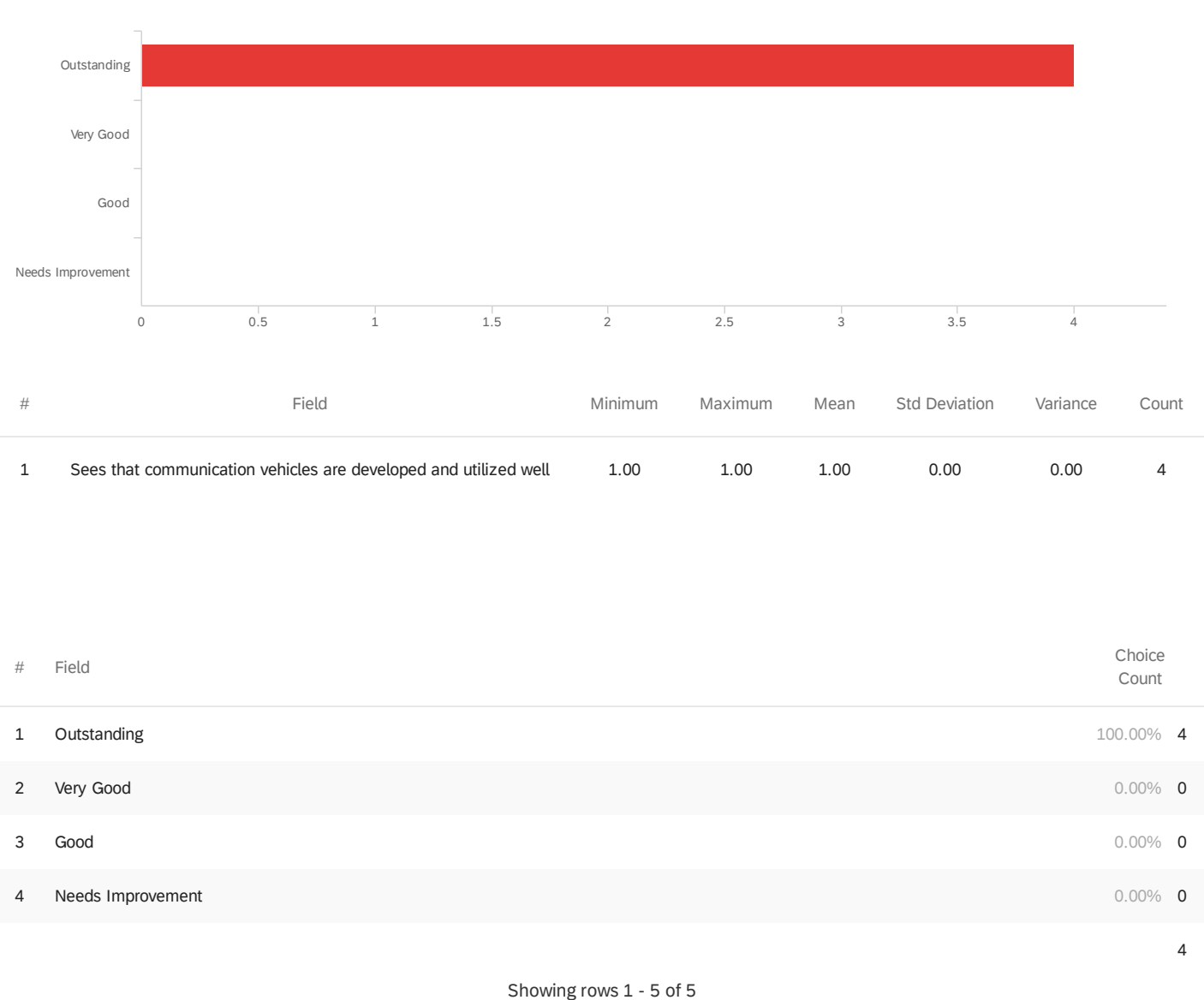
8 - Establishes and makes use of working relationships with organizations and individuals in the field



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Establishes and makes use of working relationships with organizations and individuals in the field	1.00	1.00	1.00	0.00	0.00	4

#	Field	Choice Count
1	Outstanding	100.00% 4
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

9 - Sees that communication vehicles are developed and utilized well



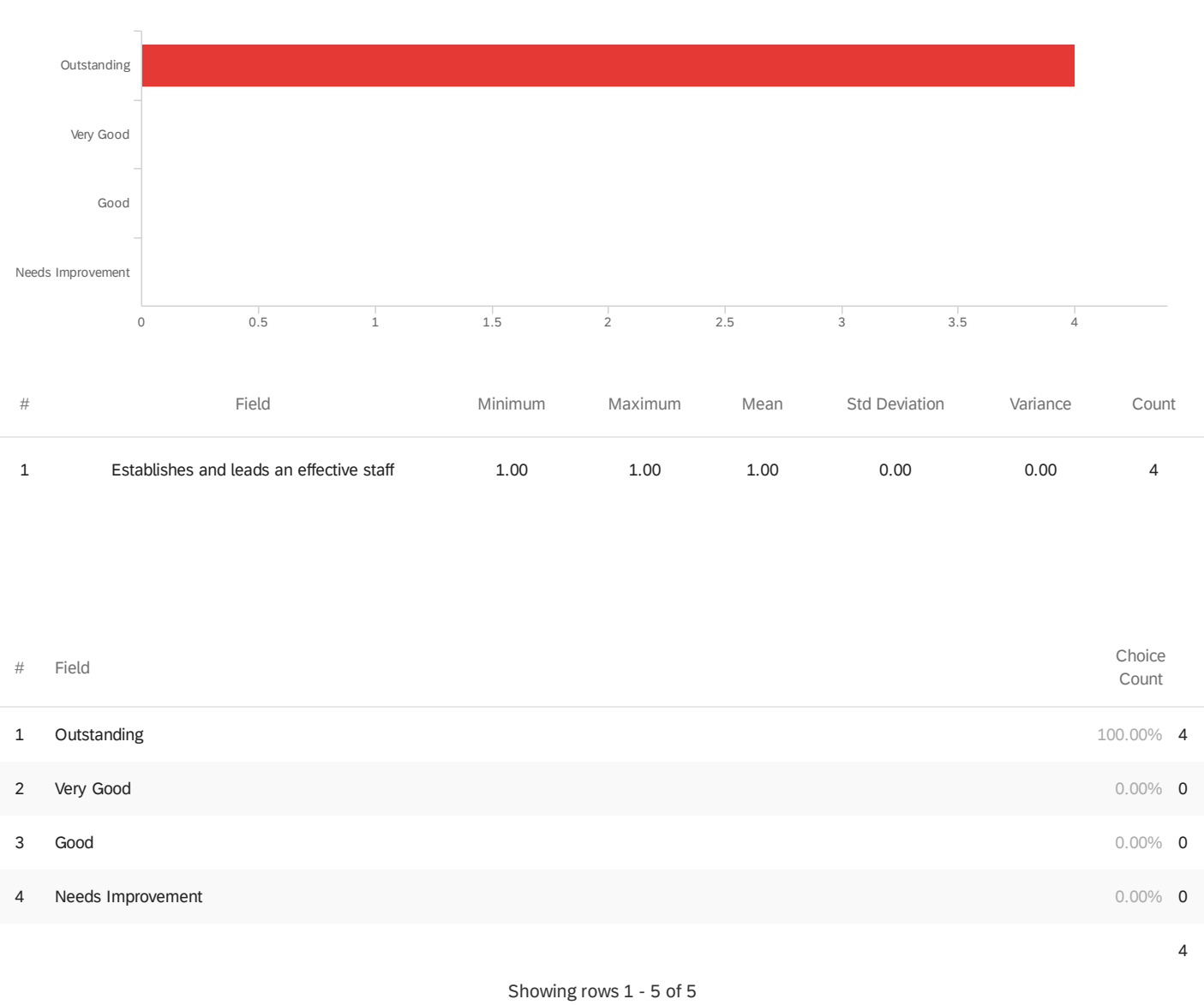
10 - Comments on Community Leadership

Comments on Community Leadership

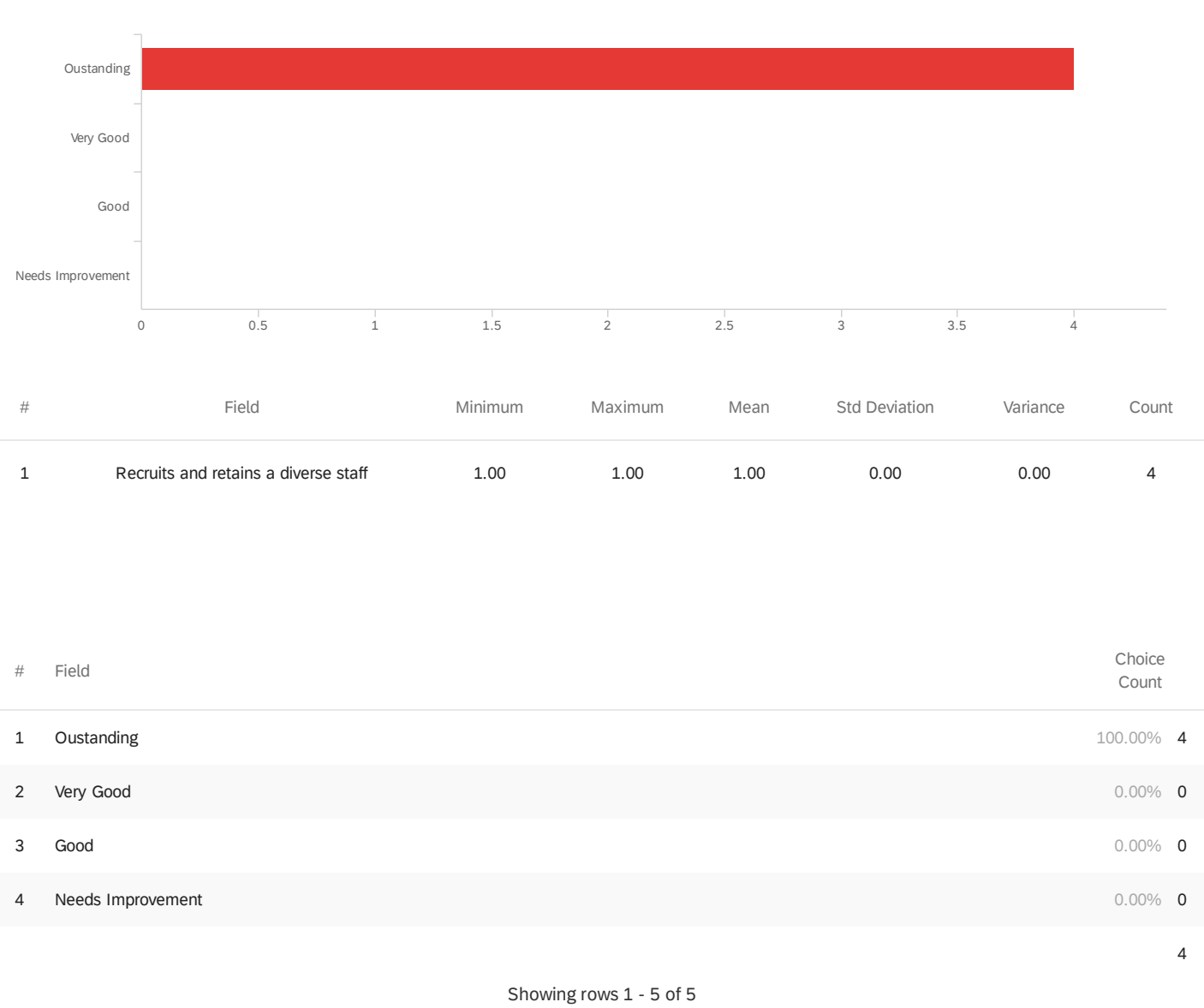
We receive good communication related to board meetings, agendas, and updates on student achievements.

I loved the outspoken support for Solutions for Change. Not only did she advocate for the organization, but for years she's given of her own time there as well. Such a great example of helping those in the community that need help most.

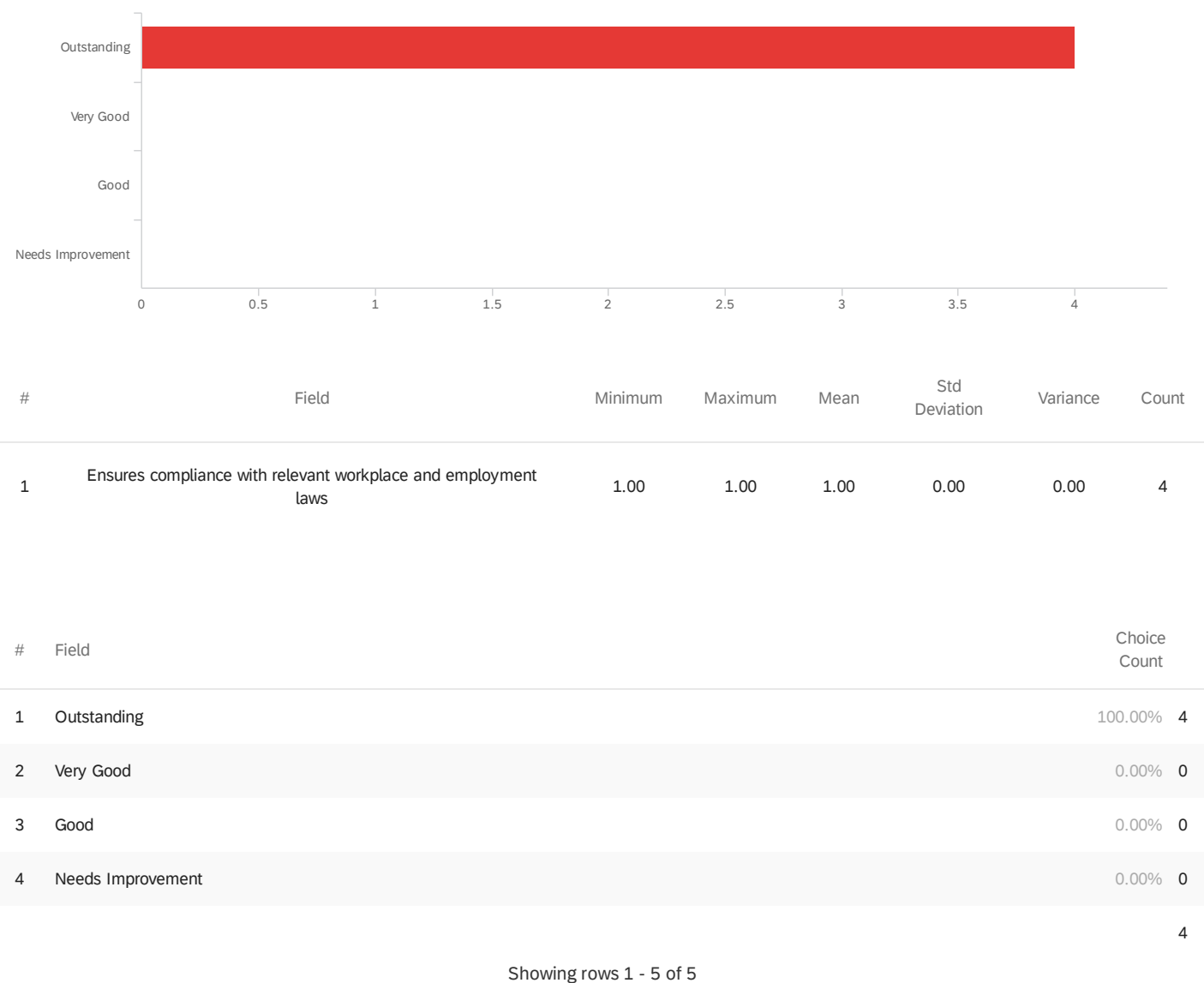
11 - Establishes and leads an effective staff



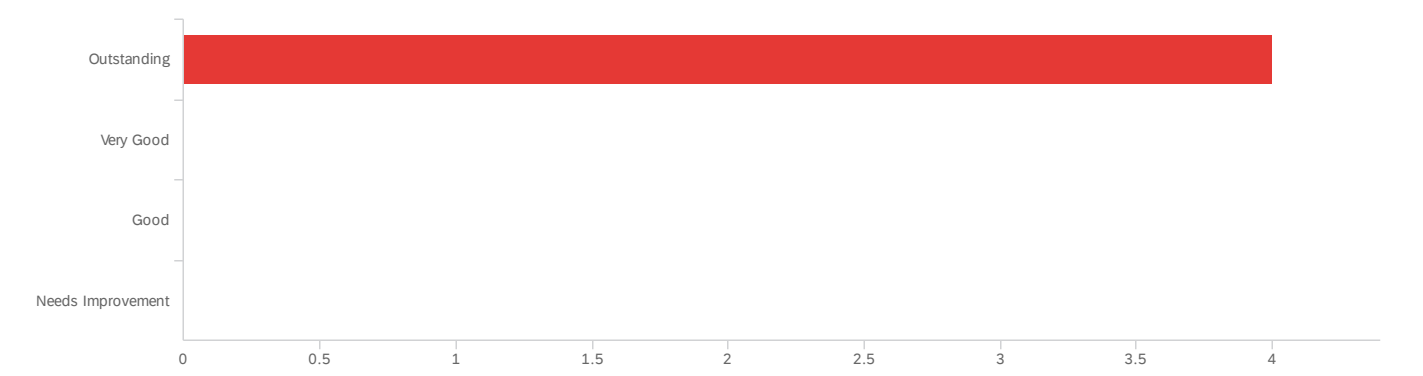
12 - Recruits and retains a diverse staff



13 - Ensures compliance with relevant workplace and employment laws



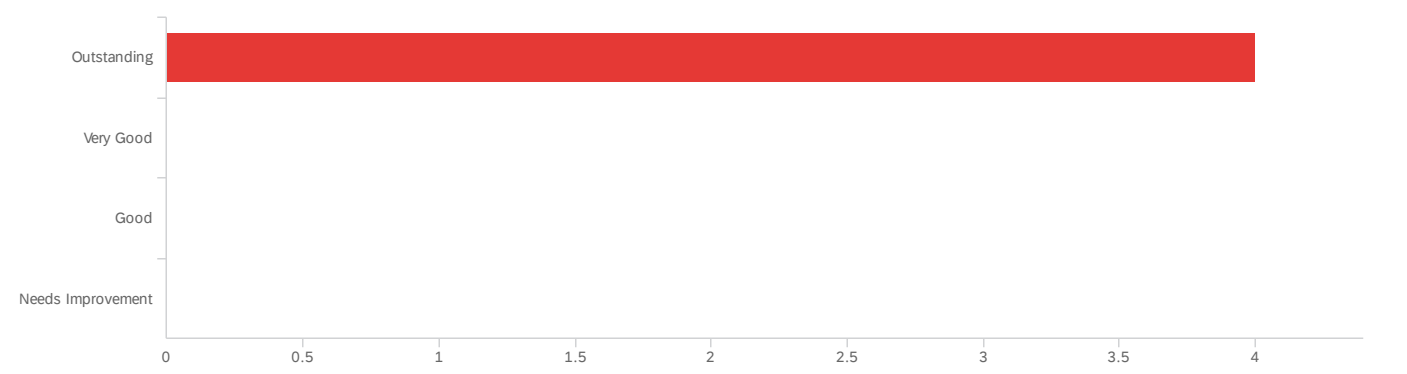
14 - Sees that employees are credentialed as required and that appropriate background checks are conducted



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Sees that employees are credentialed as required and that appropriate background checks are conducted	1.00	1.00	1.00	0.00	0.00	4

#	Field	Choice Count
1	Outstanding	100.00% 4
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

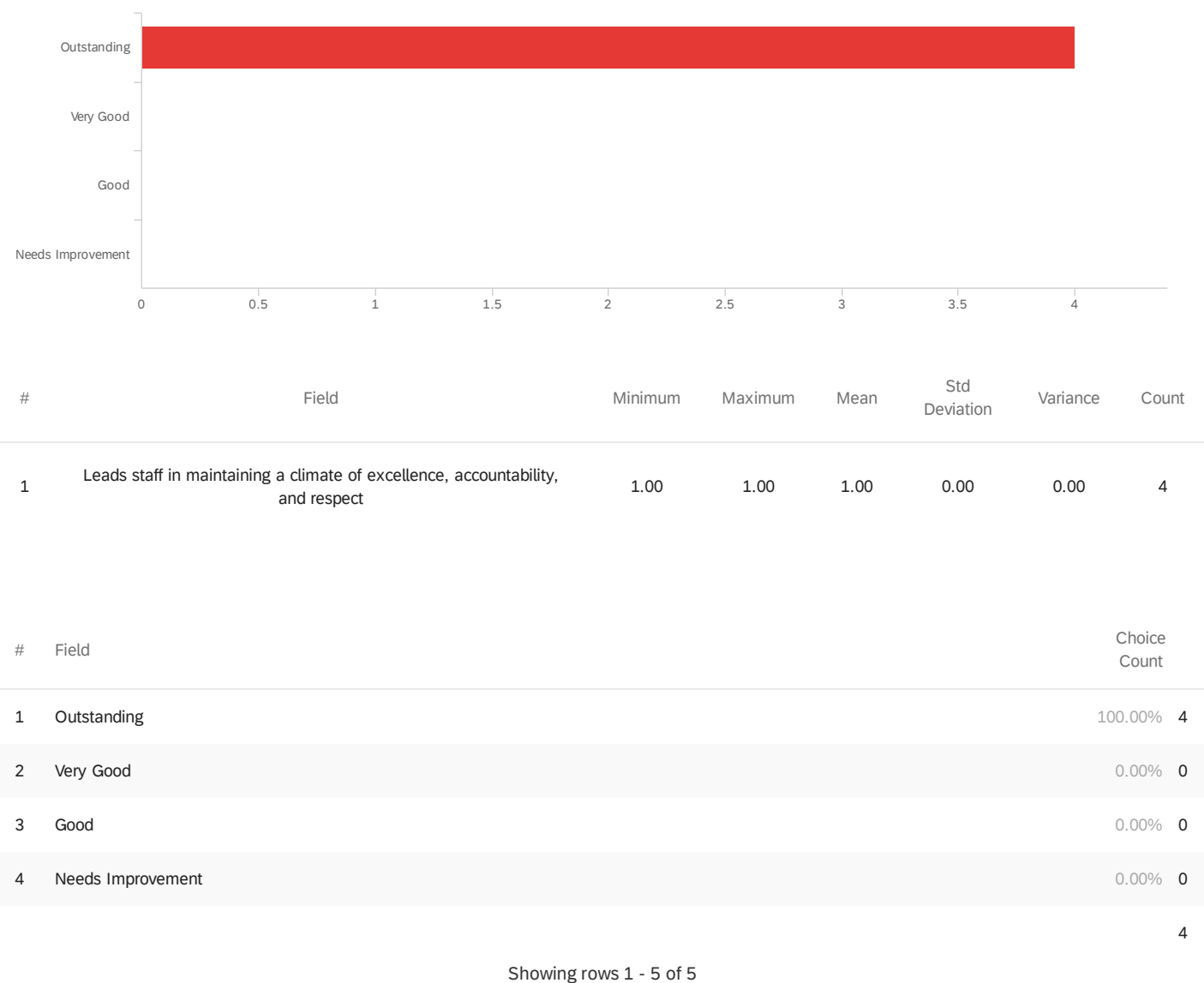
15 - Ensures that job descriptions are developed and that regular performance reviews are completed and documented



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Ensures that job descriptions are developed and that regular performance reviews are completed and documented	1.00	1.00	1.00	0.00	0.00	4

#	Field	Choice Count
1	Outstanding	100.00% 4
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

16 - Leads staff in maintaining a climate of excellence, accountability, and respect



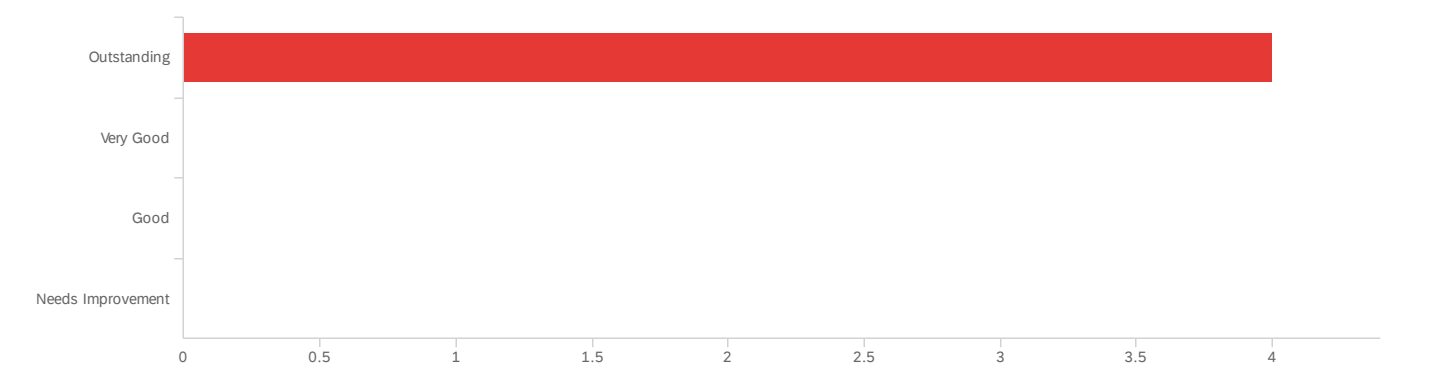
17 - Comments on Administration and HR

Comments on Administration and HR

It has been amazing to see the Method team grow. Our teachers and staff are truly embracing the Method way and providing opportunities for our students to achieve their goals.

The team built by the CEO is diverse, inclusive, and passionate about their work. Amazing job from top to bottom

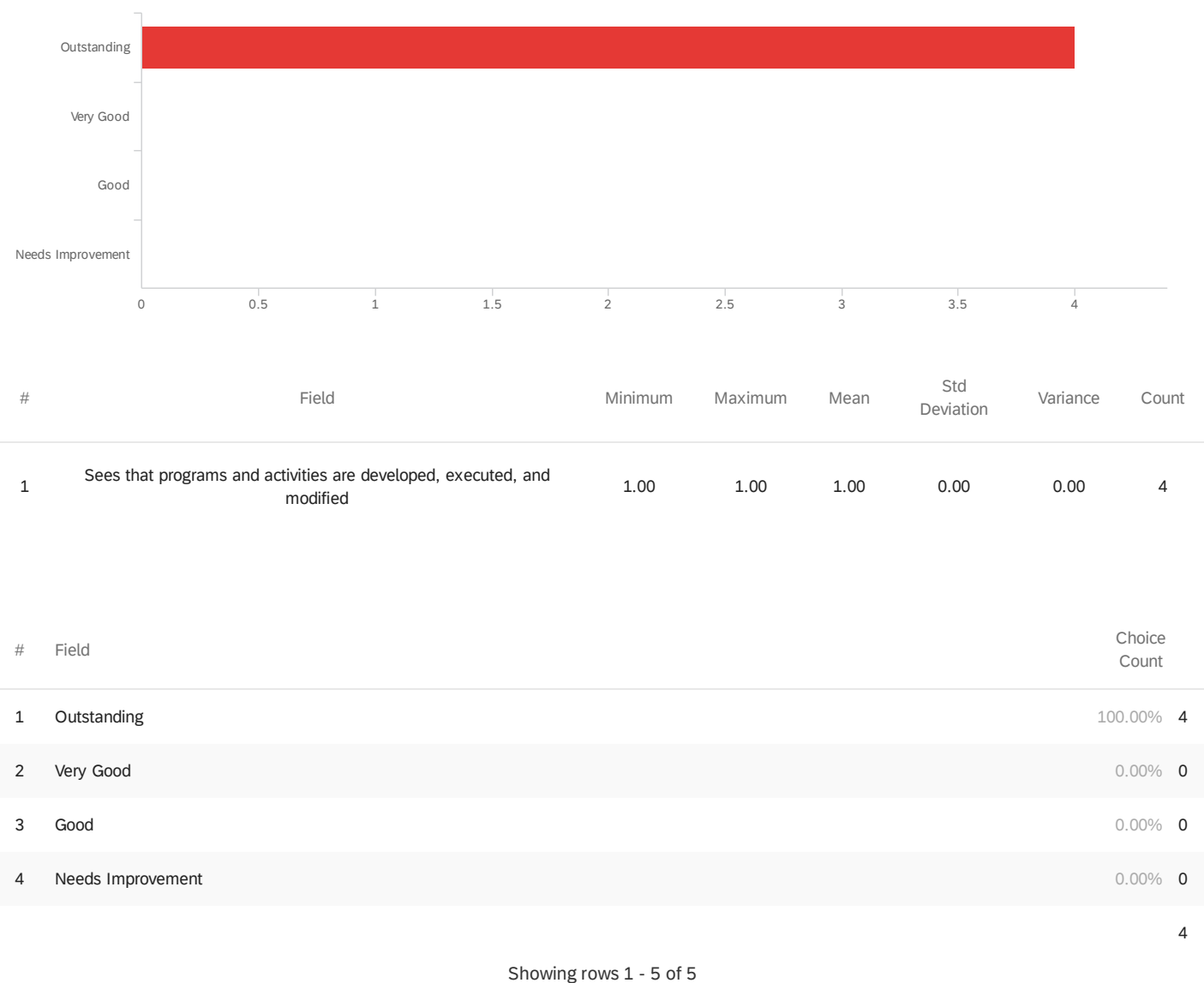
18 - Assures adequate control and accounting of all funds, including maintaining sound financial practices



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Assures adequate control and accounting of all funds, including maintaining sound financial practices	1.00	1.00	1.00	0.00	0.00	4

#	Field	Choice Count
1	Outstanding	100.00% 4
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

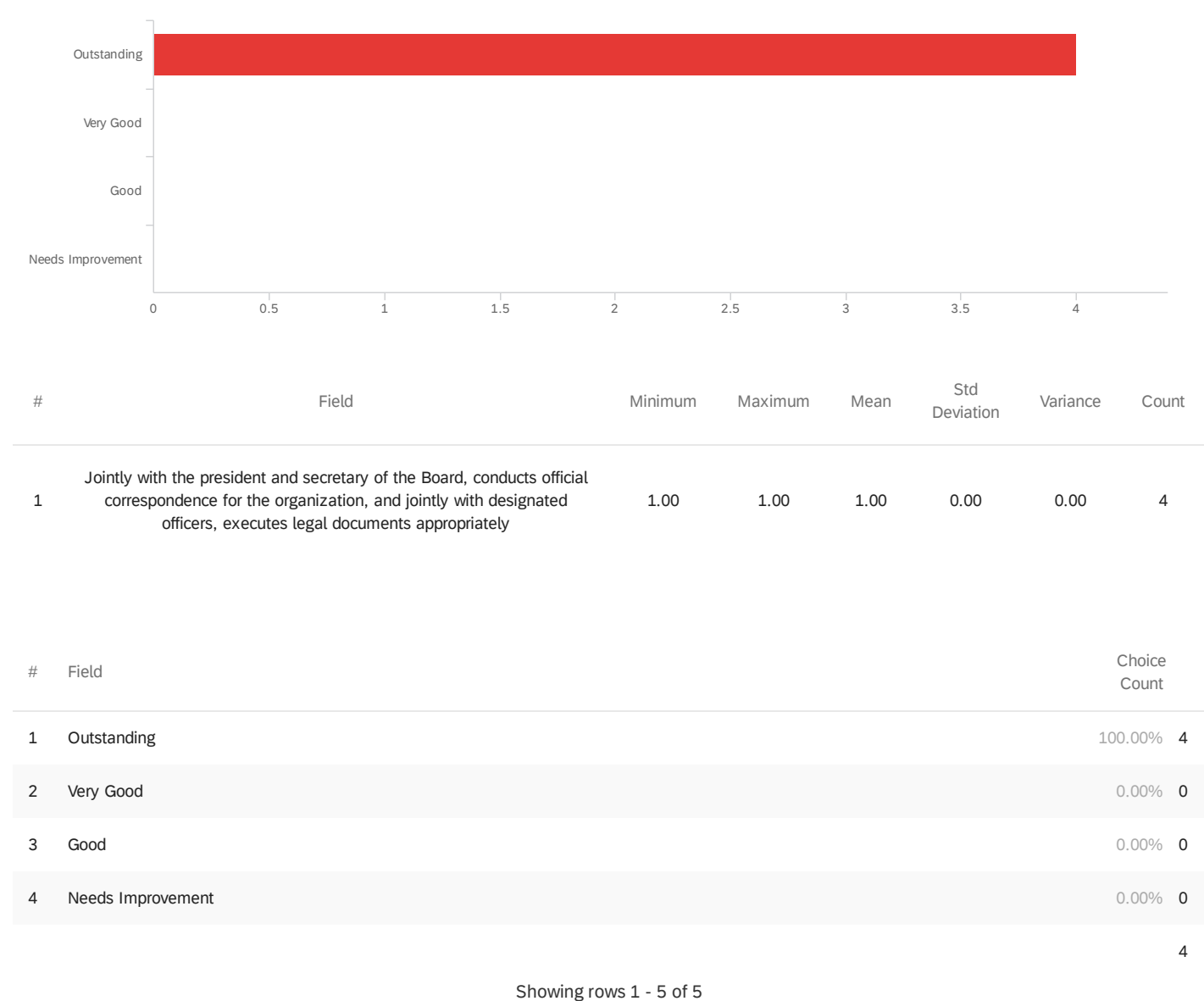
19 - Sees that programs and activities are developed, executed, and modified



20 - Jointly with the president and secretary of the Board, conducts official

correspondence for the organization, and jointly with designated officers, executes legal

documents appropriately

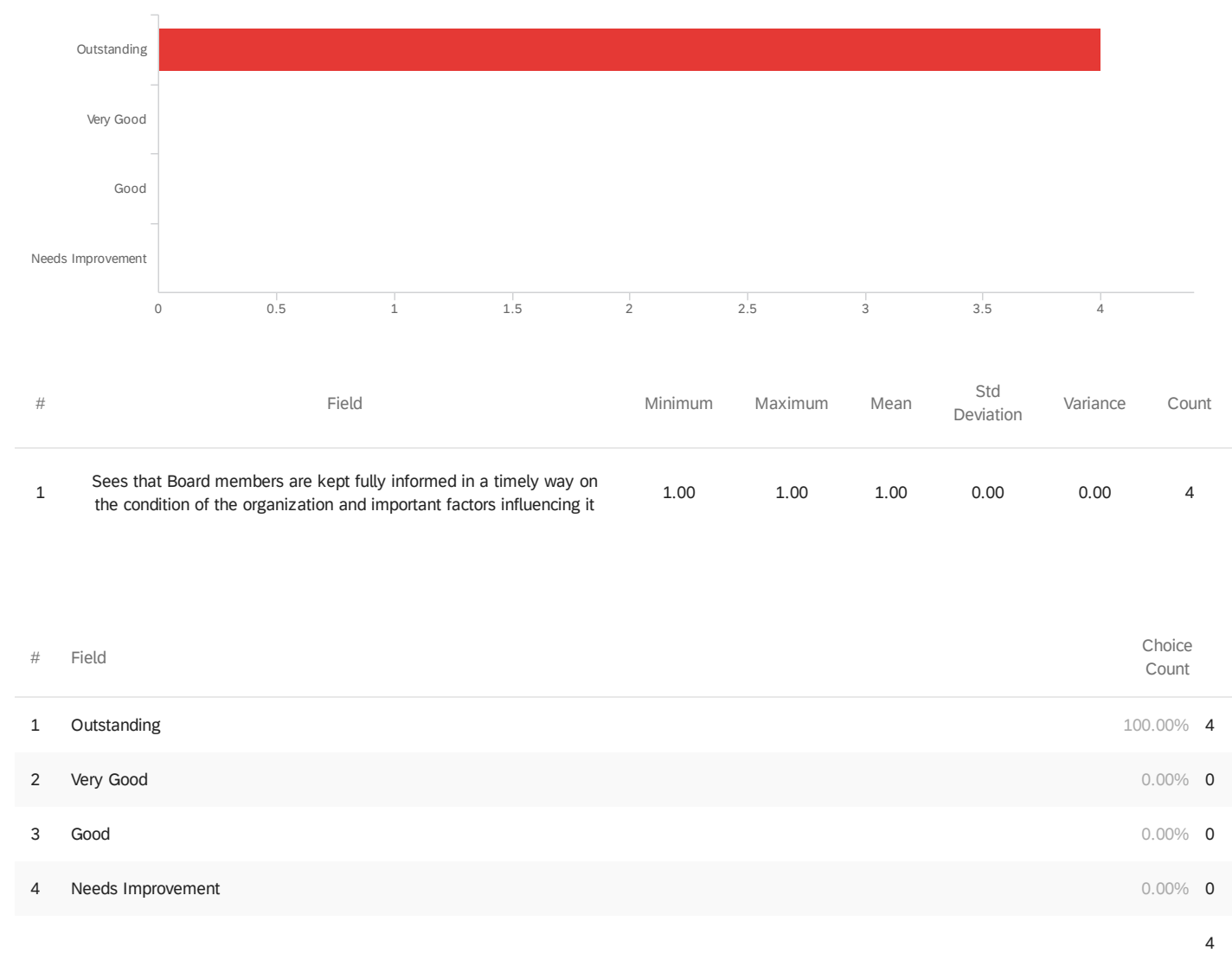


21 - Comments on Financial Sustainability and Mission Impact

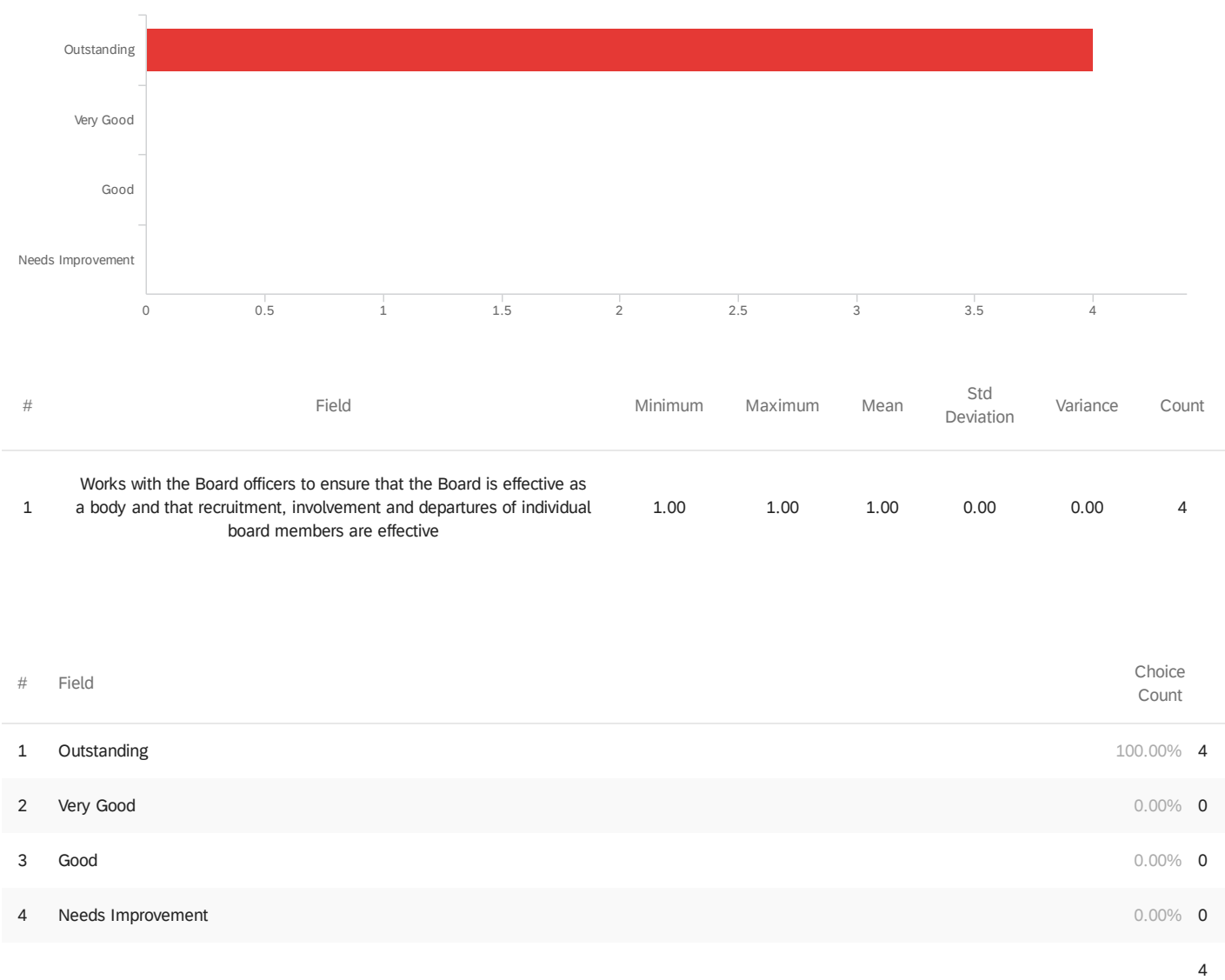
Comments on Financial Sustainability and Mission Impact

I am confident that the financial sustainability of Method is a key focus of our leadership to ensure that we can achieve our goals and embody our Mission.

22 - Sees that Board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it



23 - Works with the Board officers to ensure that the Board is effective as a body and that recruitment, involvement and departures of individual board members are effective



Showing rows 1 - 5 of 5

24 - Comments

Comments

Our board has been fairly consistent throughout the years. I think this is a direct result of the effective communication and transparency provided to the board.

I never feel like I don't have timely and relevant information I need to be an effective member of the board

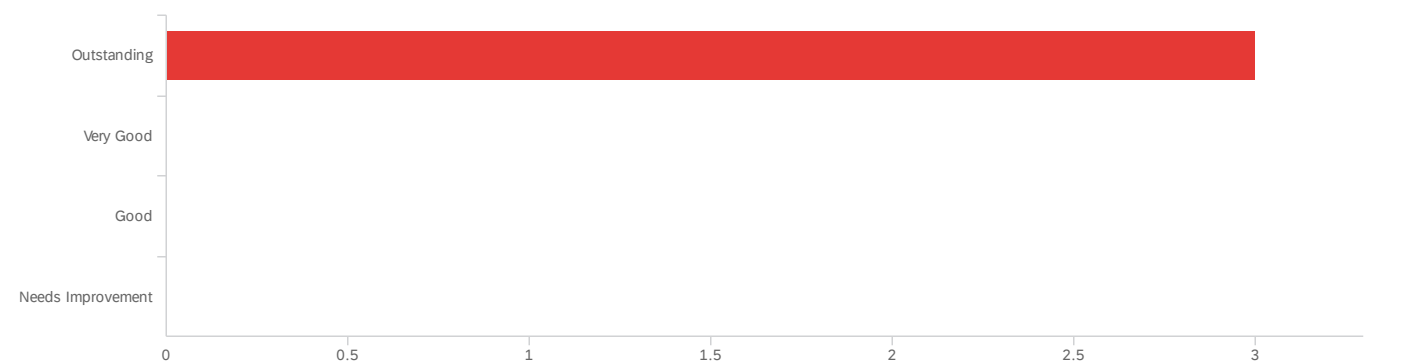
End of Report

Default Report

2021-22 CBO Evaluation

July 8, 2022 4:36 PM MDT

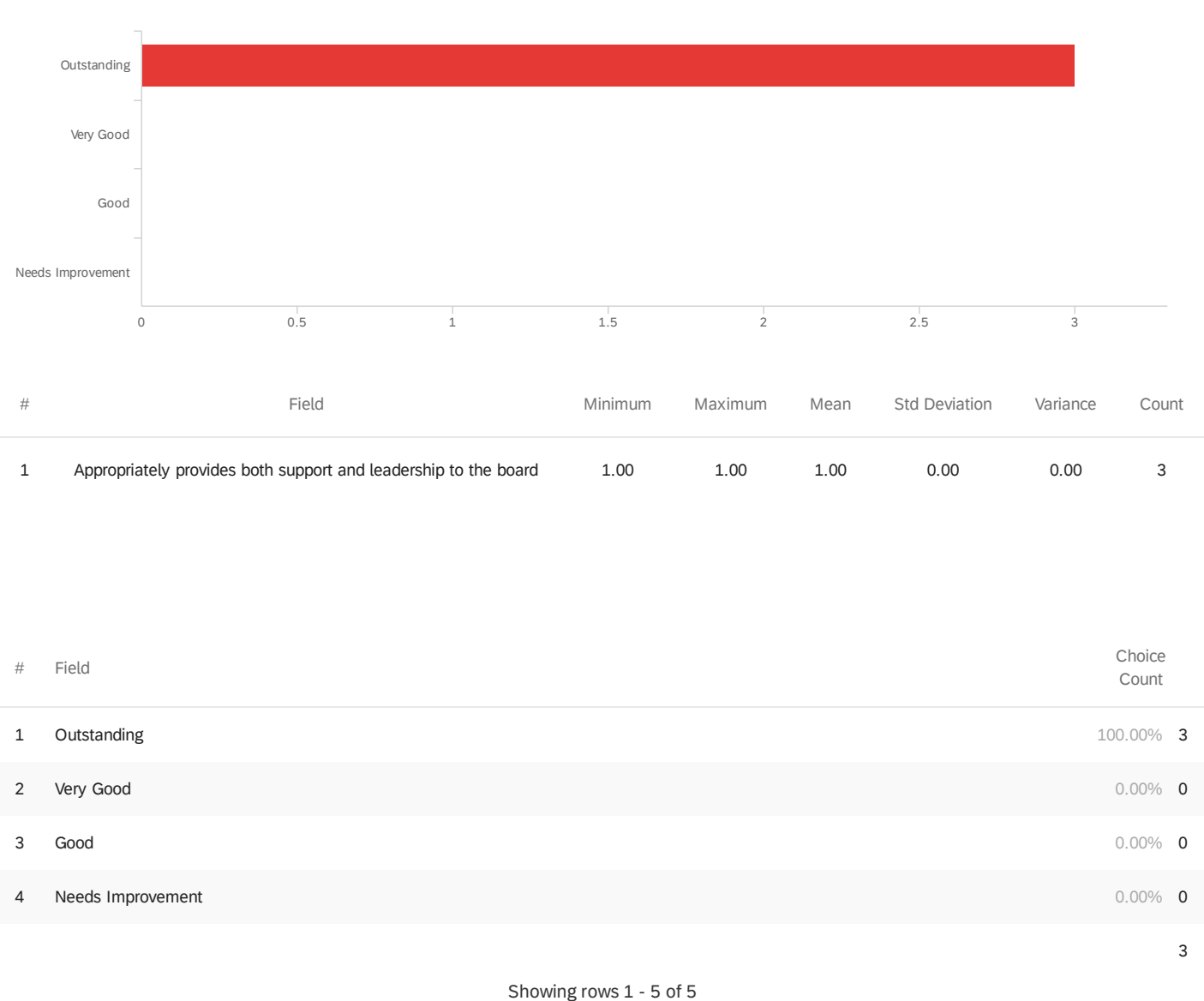
1 - Works with the board to develop strategies for achieving mission, goals and financial viability



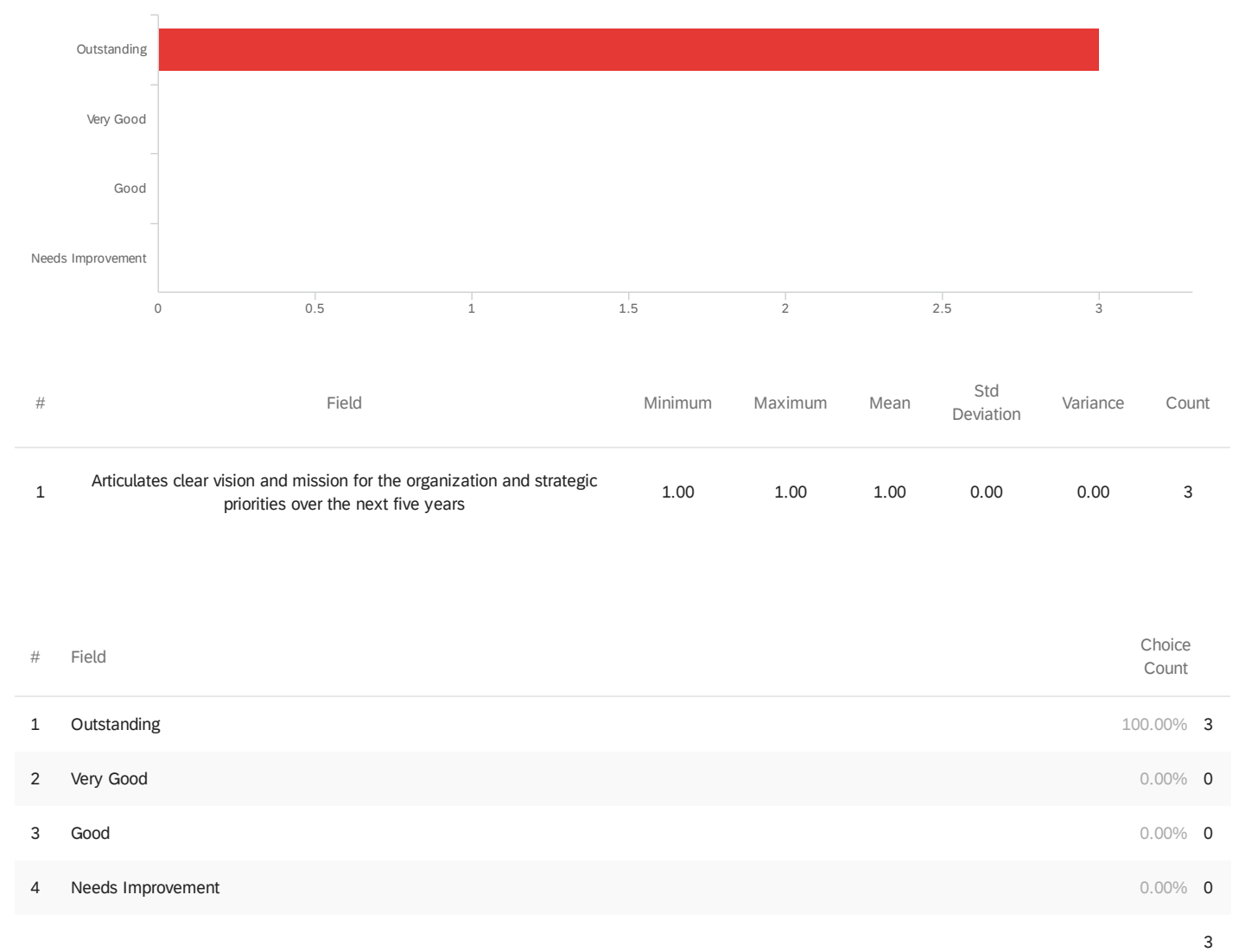
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Works with the board to develop strategies for achieving mission, goals and financial viability	1.00	1.00	1.00	0.00	0.00	3

#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

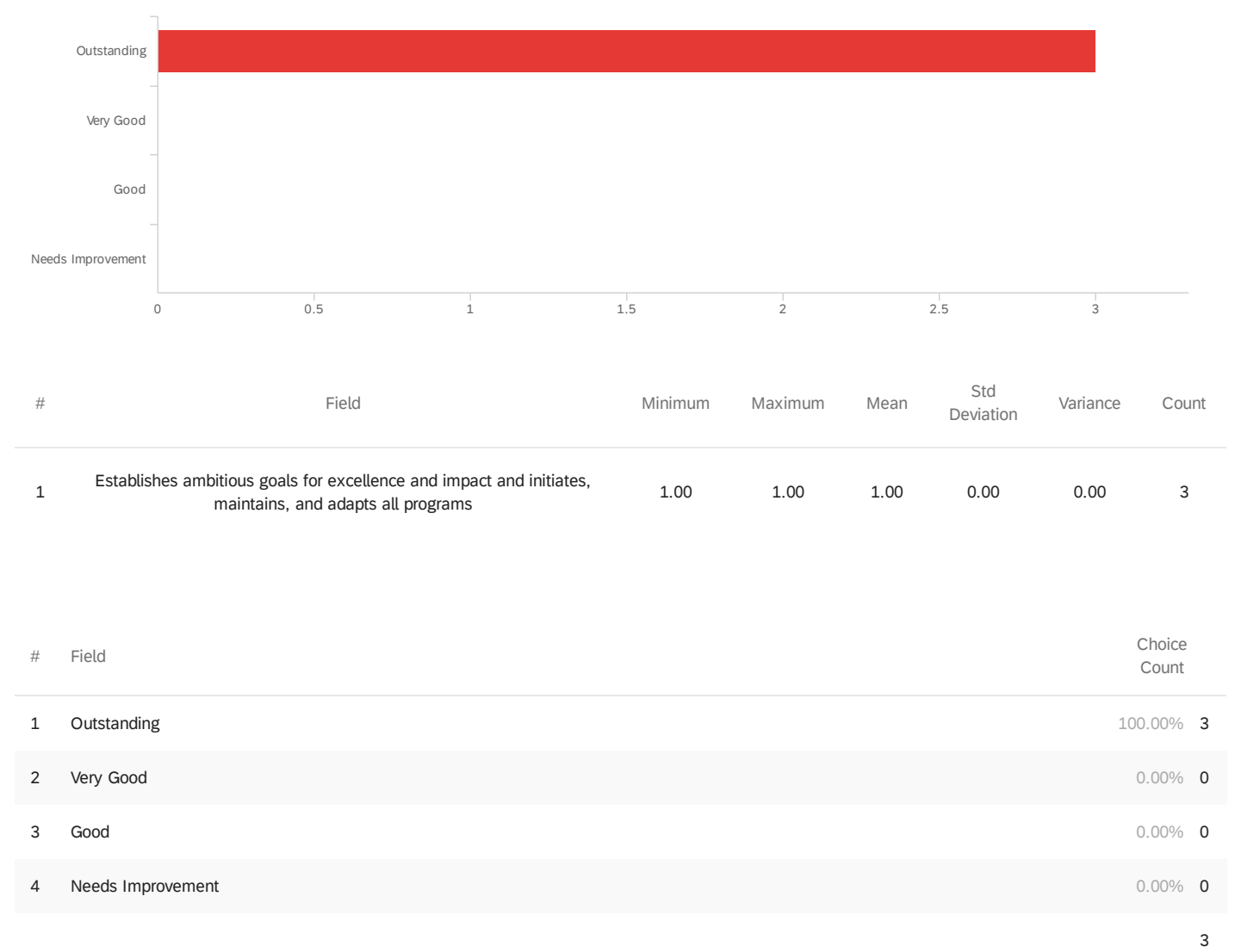
2 - Appropriately provides both support and leadership to the board



3 - Articulates clear vision and mission for the organization and strategic priorities over the next five years



4 - Establishes ambitious goals for excellence and impact and initiates, maintains, and adapts all programs



Showing rows 1 - 5 of 5

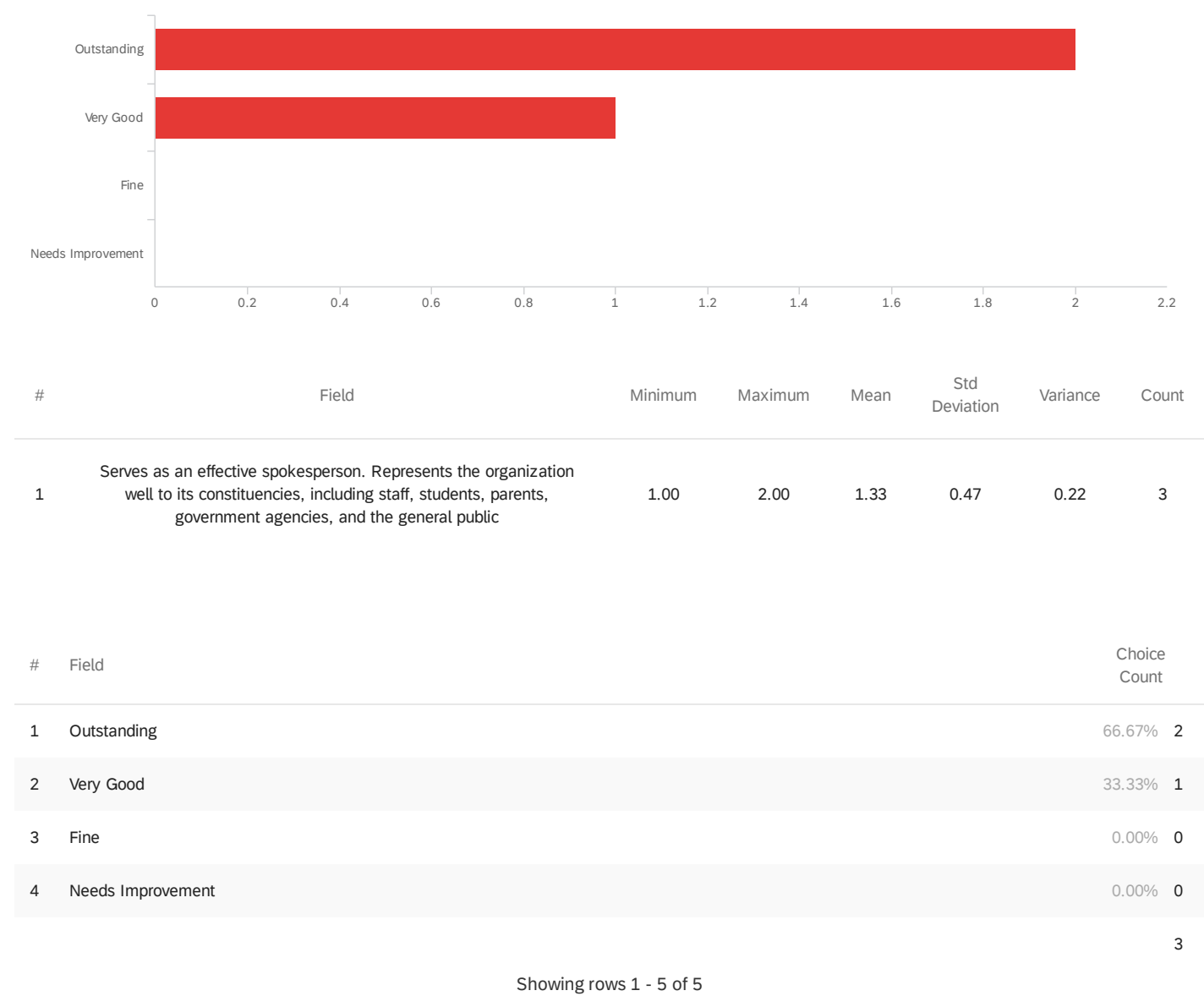
5 - Comments on Overall Organizational Performance

Comments on Overall Organizational Performance

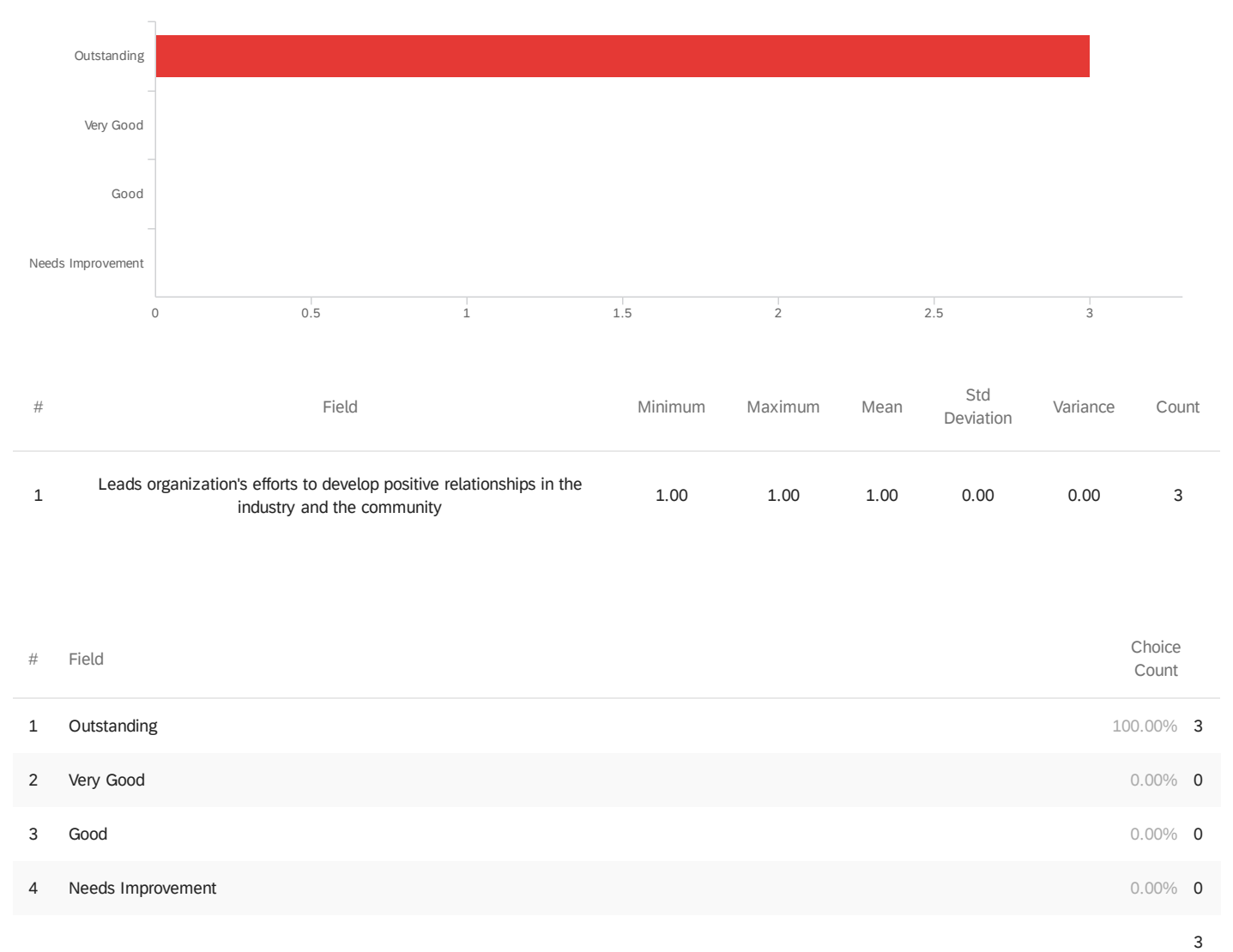
Mark consistently sets ambitious goals for Method. While we didn't achieve enrollment goals for 21-22, I am confident that our school will continue to grow and provide a unique experience that is student focused.

Method runs like a well-oiled machine because of the CBO's fluent understanding of the organization's needs, and his critical thinking ability to both plan and execute on those needs and goals.

6 - Serves as an effective spokesperson. Represents the organization well to its constituencies, including staff, students, parents, government agencies, and the general public



7 - Leads organization's efforts to develop positive relationships in the industry and the community



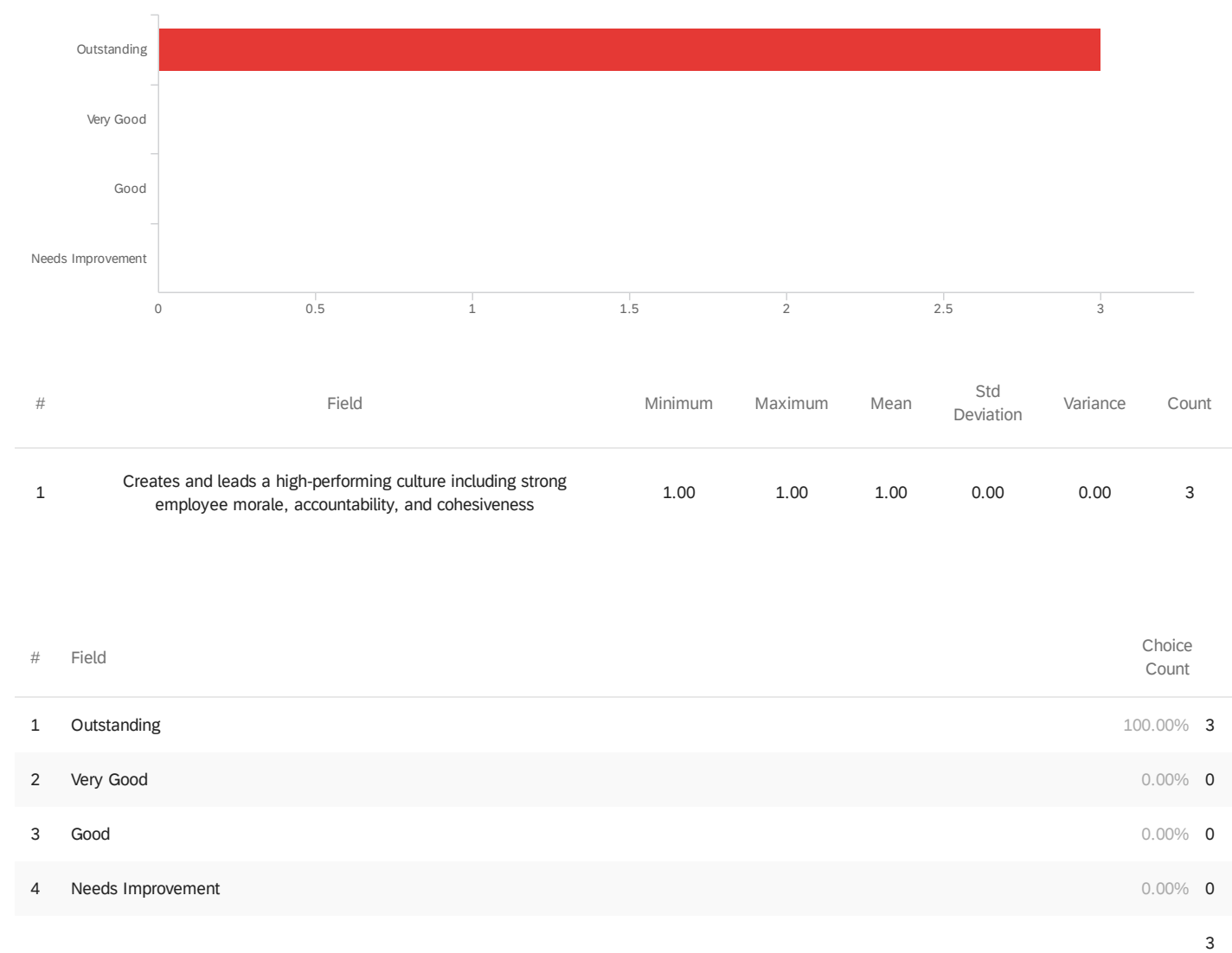
8 - Comments on Community Leadership

Comments on Community Leadership

Mark consistently engages with the community to ensure we are aware of trends and can develop strategies to meet our students' and families' needs.

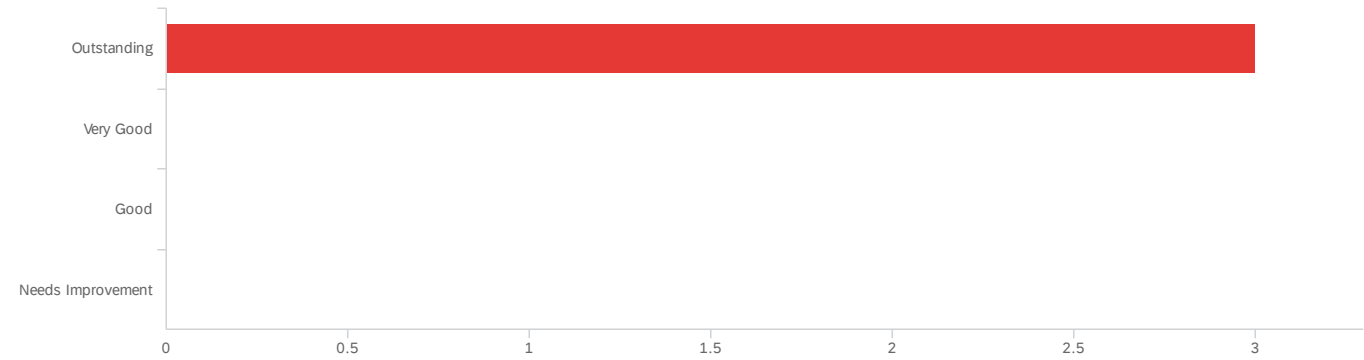
The CBO leads by example. His willingness to use his voice to advocate for staff, students, school families, and the public at large is so nice to see at the highest levels of the organization

9 - Creates and leads a high-performing culture including strong employee morale, accountability, and cohesiveness



Showing rows 1 - 5 of 5

10 - Treats everyone in the organization fairly without sexism, discrimination, or favoritism

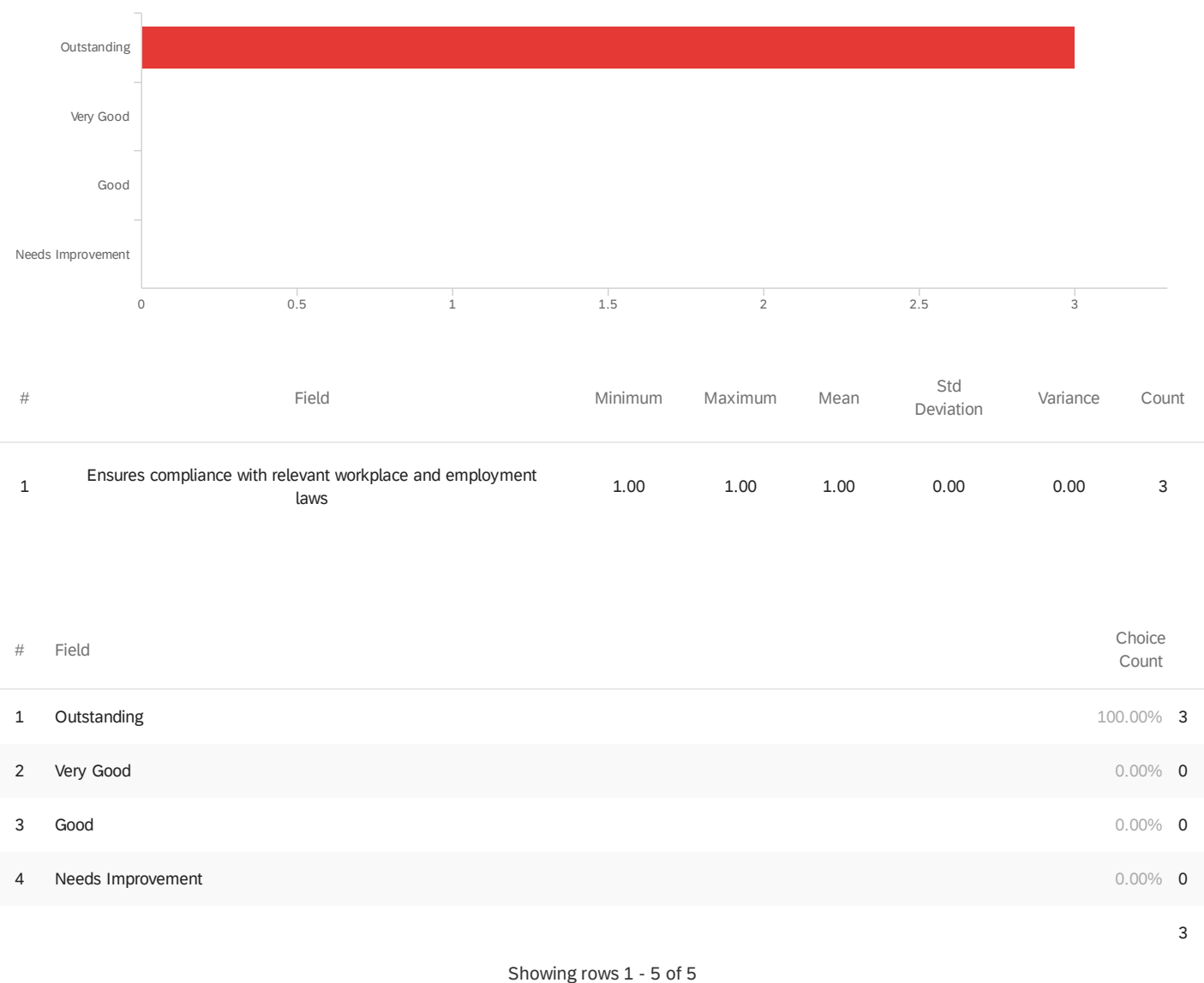


#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Treats everyone in the organization fairly without sexism, discrimination, or favoritism	1.00	1.00	1.00	0.00	0.00	3

#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

3

11 - Ensures compliance with relevant workplace and employment laws



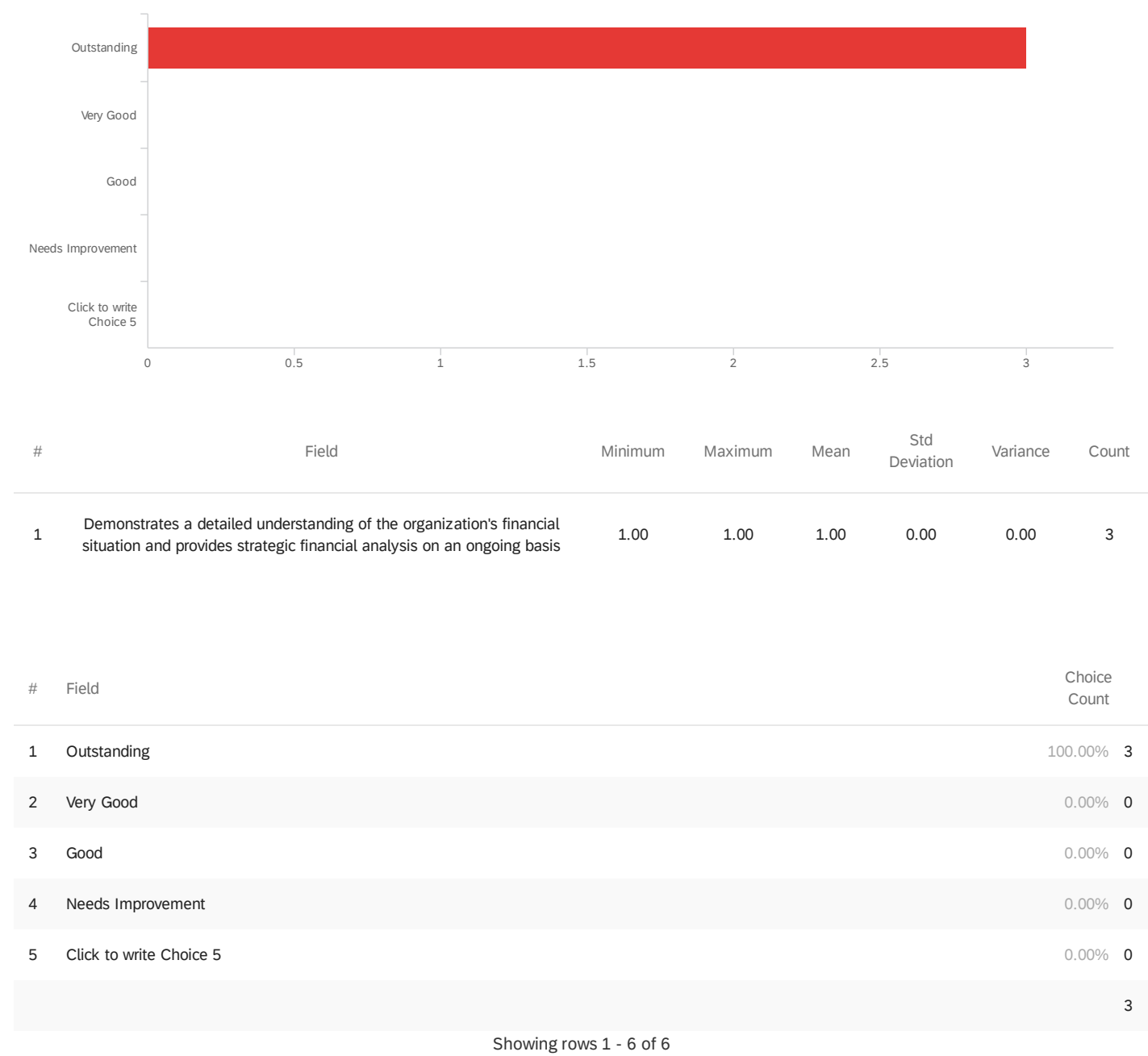
12 - Comments on Administration and HR

Comments on Administration and HR

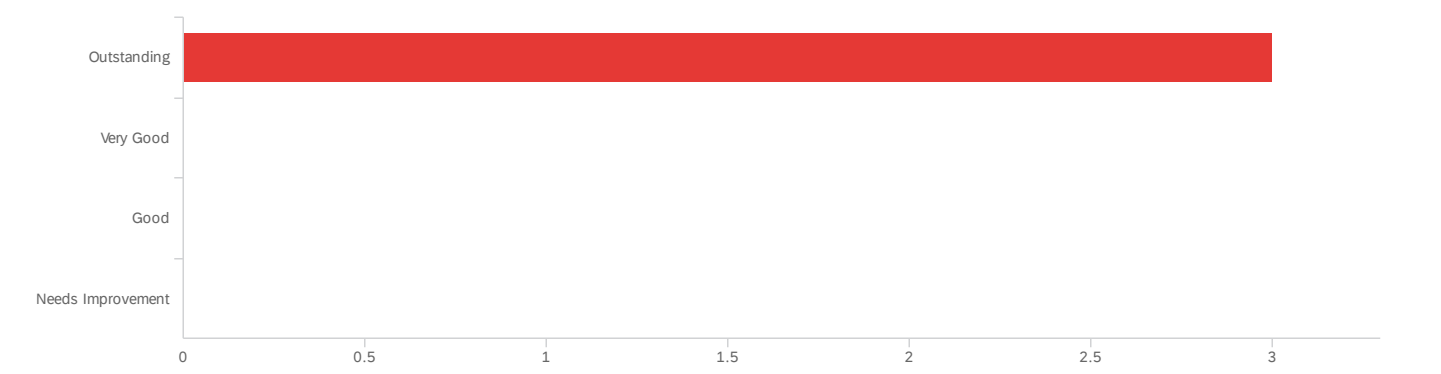
I am confident that the Method leadership is vested in ensuring our organization provides a safe and supportive work environment.

Nothing but great things to say about the team that the CBO has helped recruit, train and retain.

13 - Demonstrates a detailed understanding of the organization's financial situation and provides strategic financial analysis on an ongoing basis



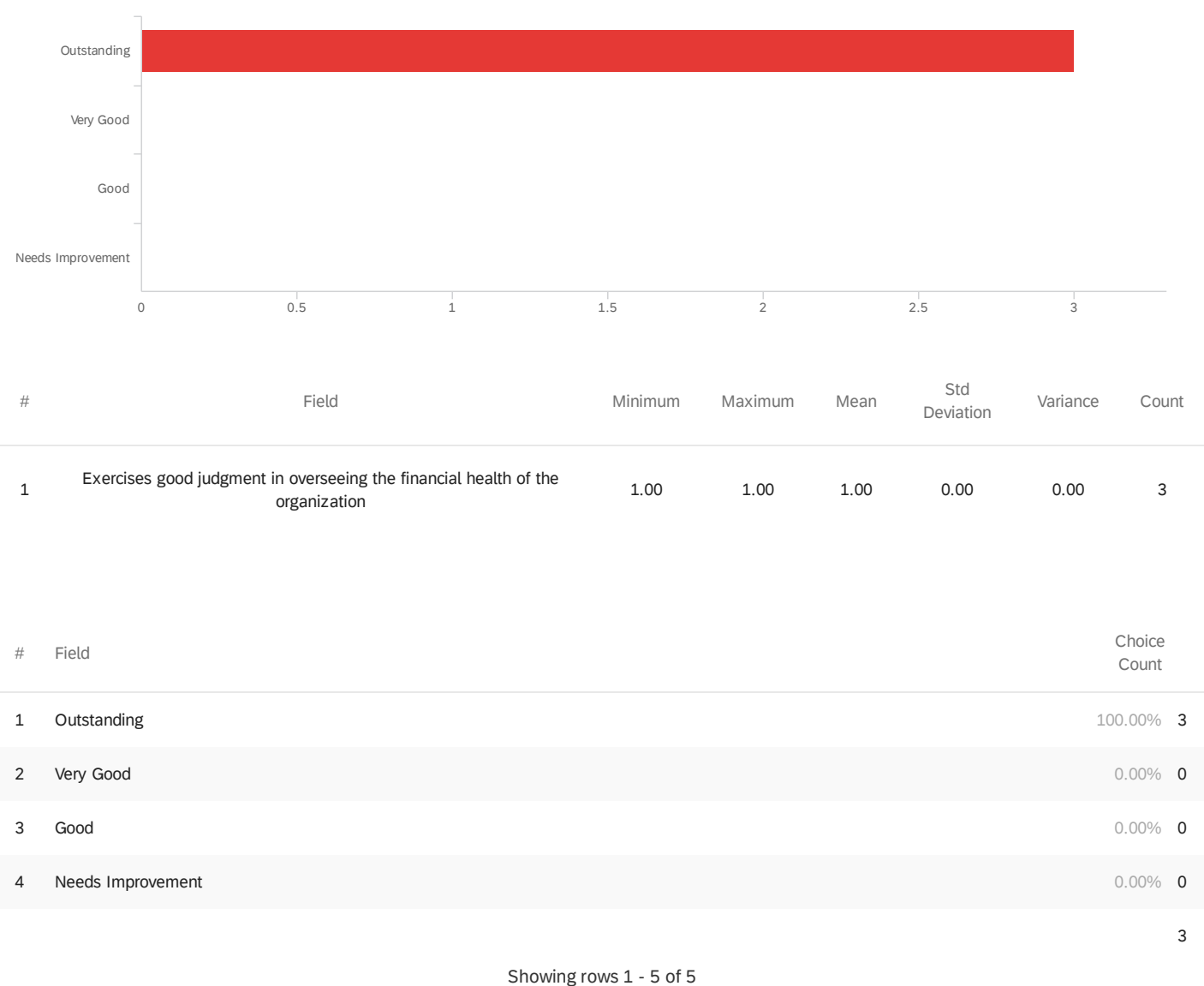
14 - Assures adequate control and accounting of all funds, including maintaining sound financial practices



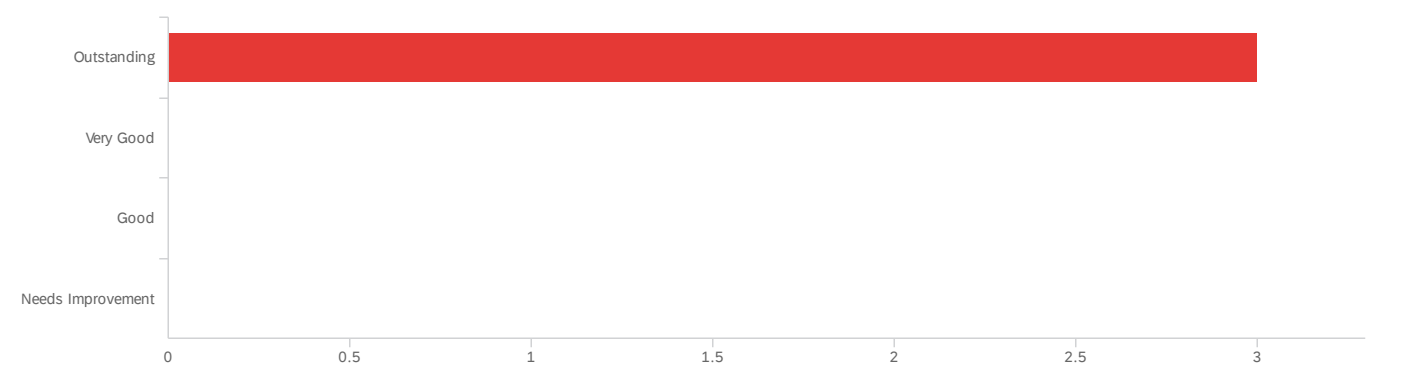
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Assures adequate control and accounting of all funds, including maintaining sound financial practices	1.00	1.00	1.00	0.00	0.00	3

#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

15 - Exercises good judgment in overseeing the financial health of the organization



16 - Works with the staff, finance committee and the Board to prepare budgets, monitor progress, and initiate changes (to operations and/or to budgets) as appropriate



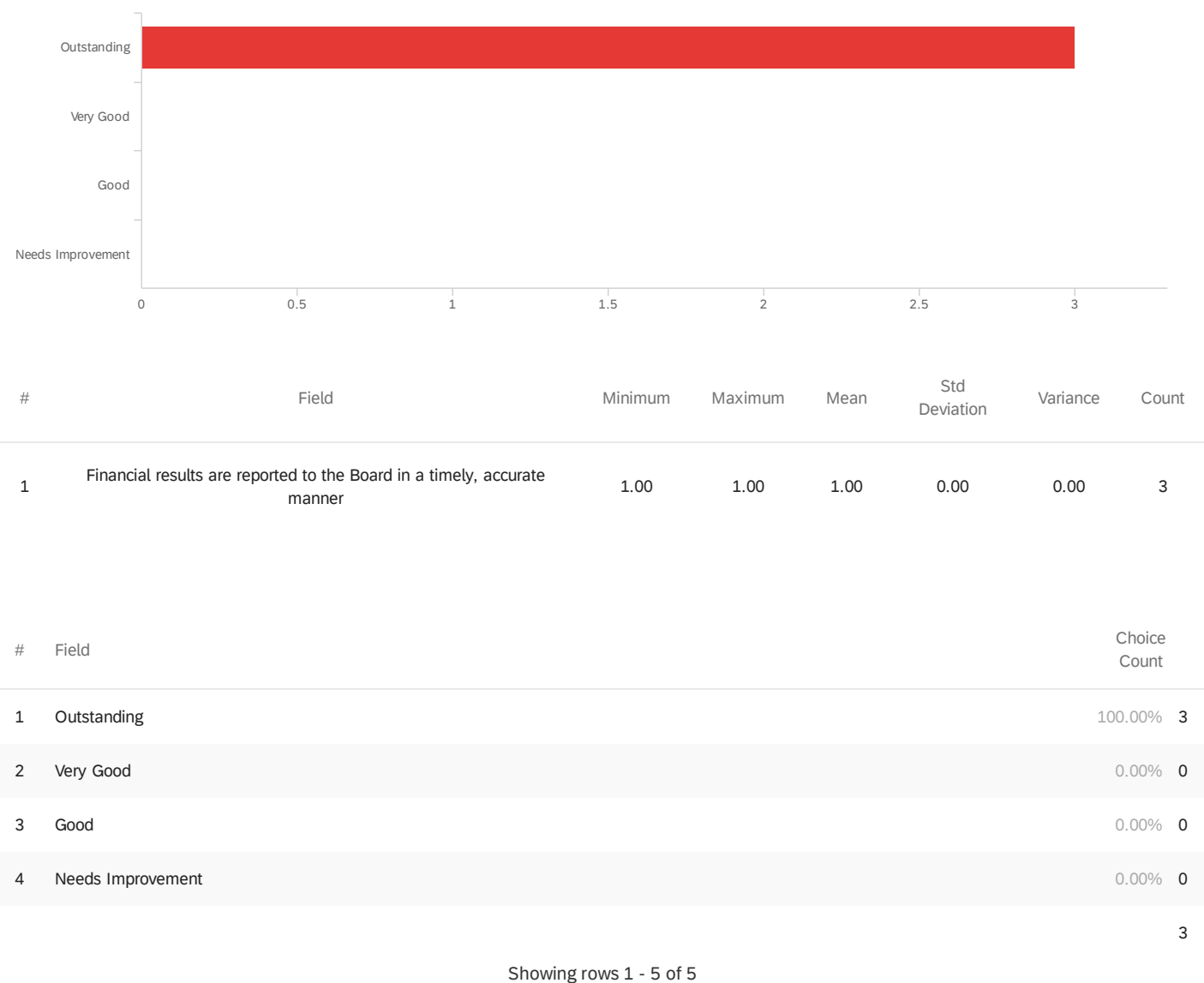
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Works with the staff, finance committee and the Board to prepare budgets, monitor progress, and initiate changes (to operations and/or to budgets) as appropriate	1.00	1.00	1.00	0.00	0.00	3

#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

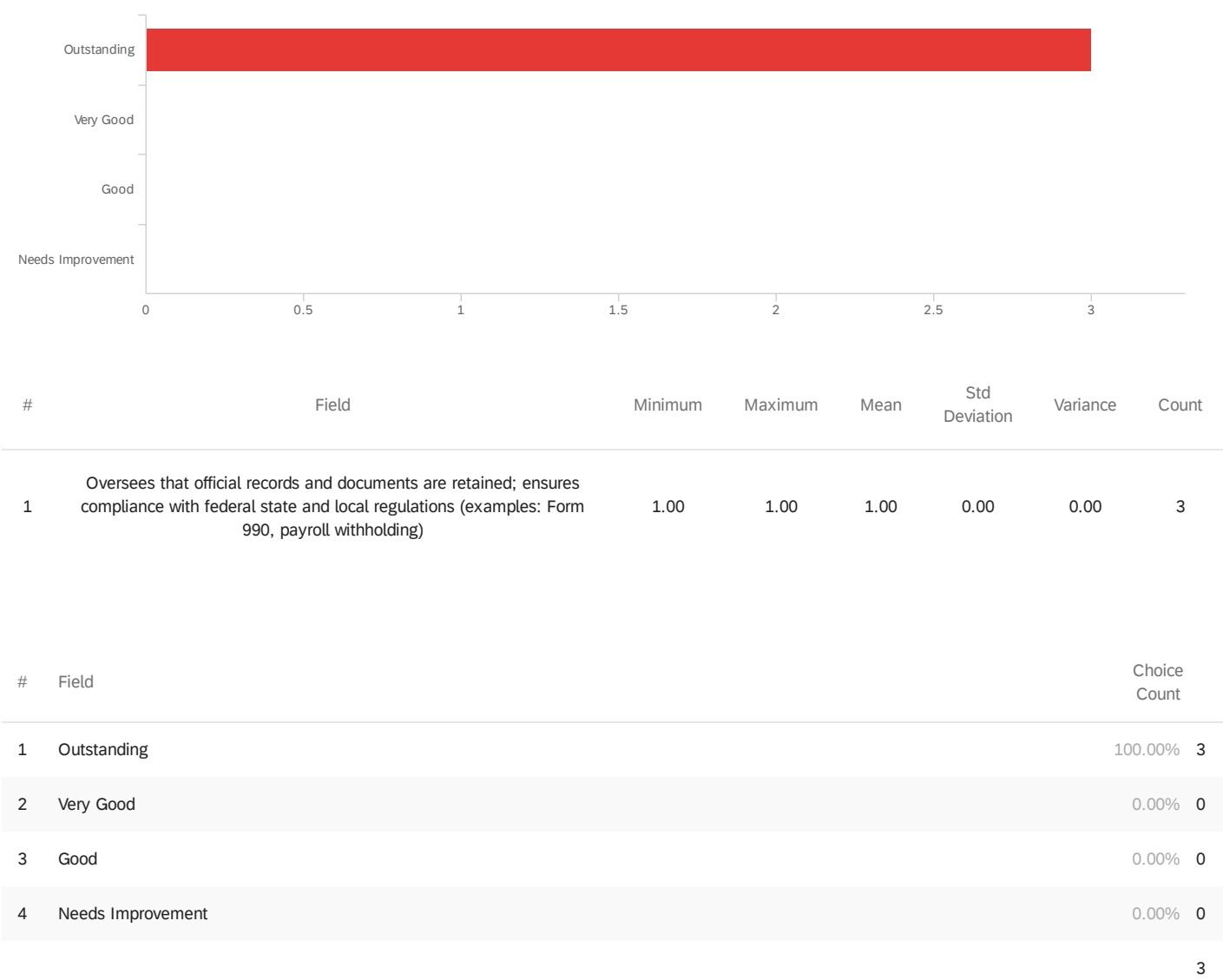
3

Showing rows 1 - 5 of 5

17 - Financial results are reported to the Board in a timely, accurate manner



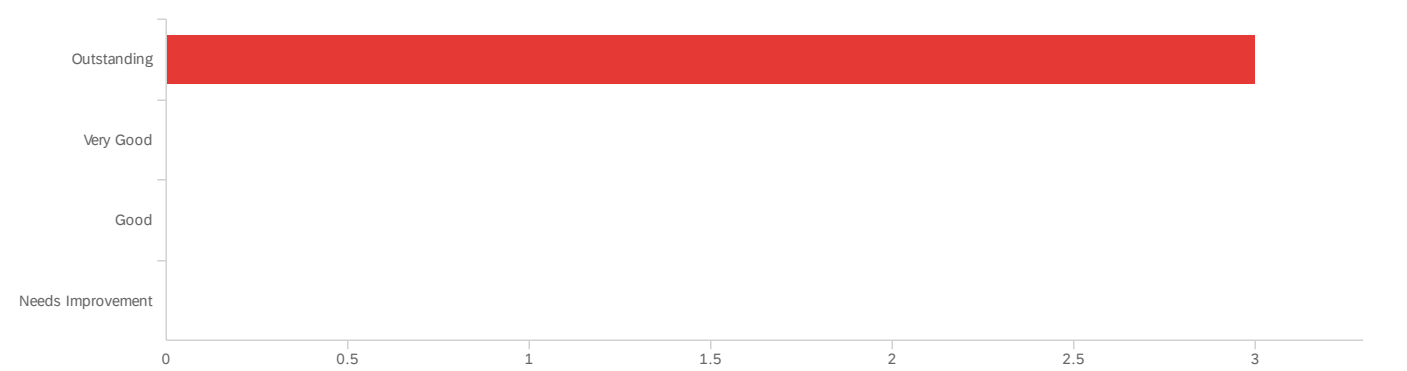
18 - Oversees that official records and documents are retained; ensures compliance with federal state and local regulations (examples: Form 990, payroll withholding)



3

Showing rows 1 - 5 of 5

19 - Ensures that the organization's accounting meets professional standards of approval
set by the auditors



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Ensures that the organization's accounting meets professional standards of approval set by the auditors	1.00	1.00	1.00	0.00	0.00	3

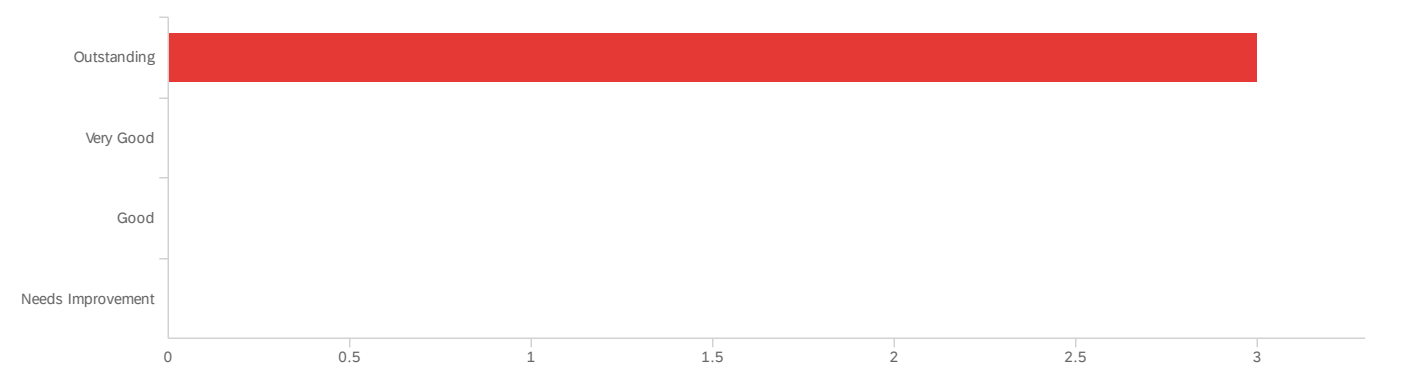
#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

3

20 - Comments on Financial Sustainability and Mission Impact

WIDGET_ERROR.MISCONFIGURED

21 - Ensures that Board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it



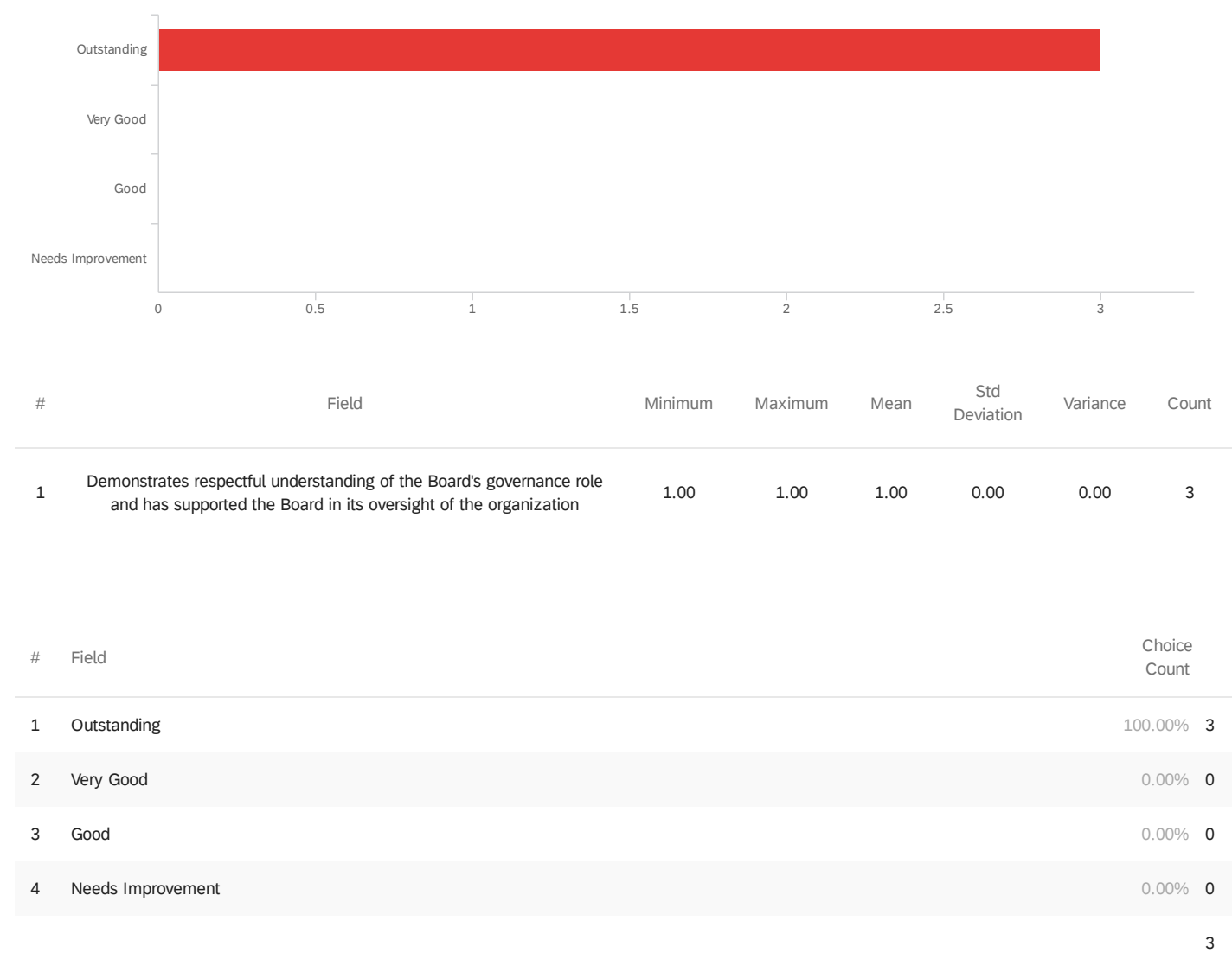
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Ensures that Board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it	1.00	1.00	1.00	0.00	0.00	3

#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

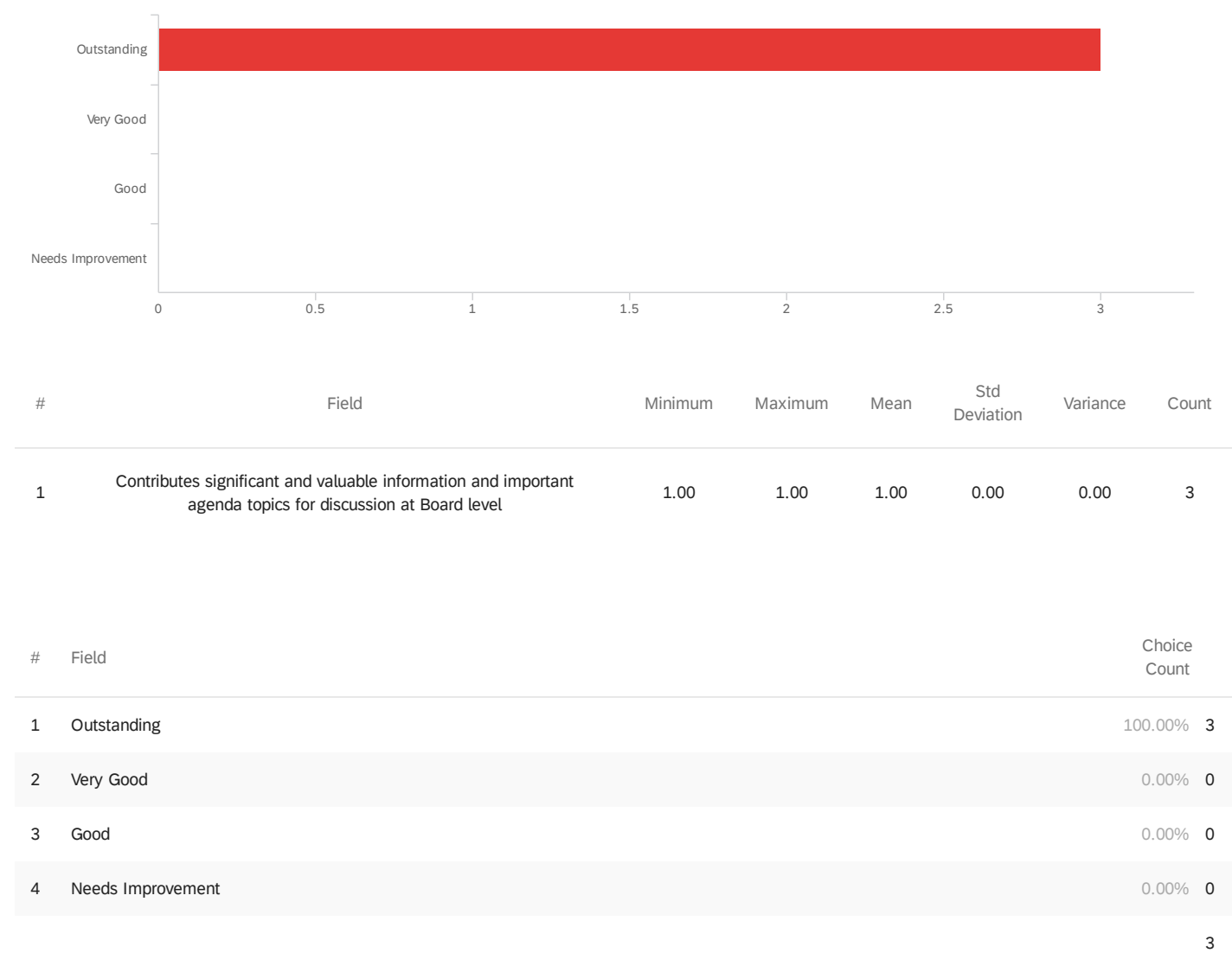
3

Showing rows 1 - 5 of 5

22 - Demonstrates respectful understanding of the Board's governance role and has supported the Board in its oversight of the organization

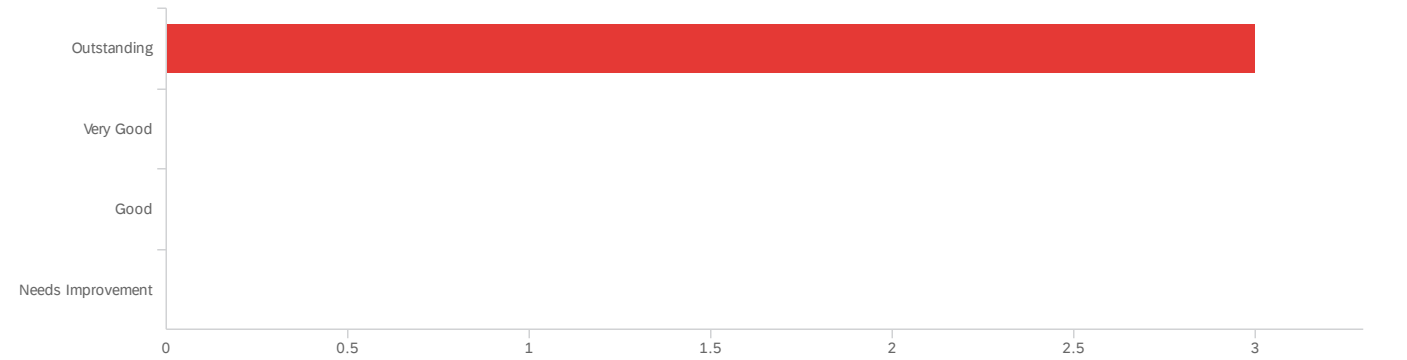


23 - Contributes significant and valuable information and important agenda topics for discussion at Board level



Showing rows 1 - 5 of 5

24 - Supports and contributes to Board training and development in their governance roles



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Supports and contributes to Board training and development in their governance roles	1.00	1.00	1.00	0.00	0.00	3

#	Field	Choice Count
1	Outstanding	100.00% 3
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

3

Showing rows 1 - 5 of 5

25 - Comments

Comments

As a board member, I feel I am kept well informed of the current and upcoming issues that impact our school as well as opportunities to grow and improve our impact on our communities.

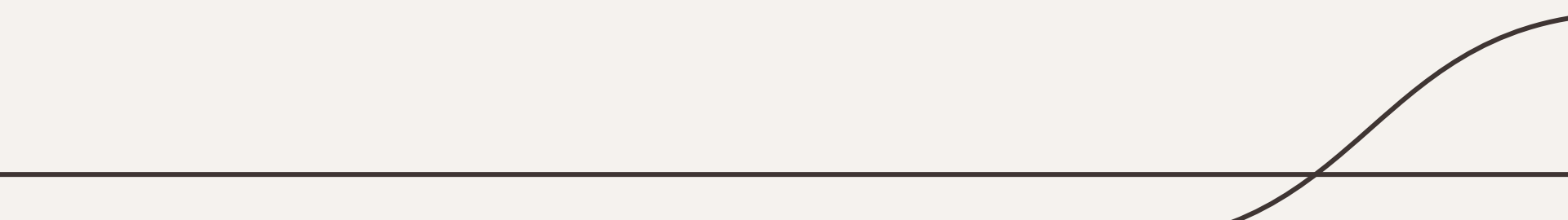
CBO is an asset to Method. The org is lucky to have him

End of Report



Student Highlights

July Board Meeting



Graduate Data

- San Diego - 92.75% (64 students)
- Los Angeles - 88.8% (40 students)

Universities

- Cal State San Bernardino
- Purdue University
- San Diego State University
- Tennessee State University
- UC Merced
- UC Irvine
- University of San Diego

Community Colleges

- Pasadena City College
- Citrus College
- Mt. San Jacinto
- Los Angeles Valley College

Trade Schools

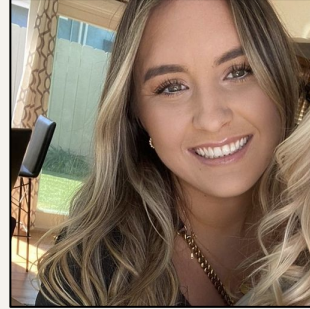
- Northwestern Lineman School
- Universal Technical Institute



Summer Start

Week 1 Goal	Week 1 Result
Get Students Started	2,686 Students (out of 3,486) Logging in and climbing
ISMA Signatures	94.48% Signed!
95% Attendance	85.4%

Staff Standouts - Summer Team



Fall Events

- Fall Assembly
- Coastal Clean Up
- Peltzer Farms
- *and more being added to the calendar!*



Method Schools Board of Directors POLICY

Fiscal Policies & Procedures – BP 2017-1

Overview

The Board of Directors of Method Schools has reviewed and adopted the following fiscal policies and procedures to ensure the most effective use of the funds of Method Schools. The purpose of the adopted policies is to support the mission of Method Schools and to ensure funds are budgeted, accounted for, expended, and maintained appropriately.

1. The Board of Directors formulates financial policies and procedures, delegate's administration of the policies and procedures to the Directors and reviews operations and activities on a regular basis.
2. The Directors have responsibility for all operations and activities related to financial management.
3. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursements, payrolls, and reconciliation of bank accounts.
4. The Board of Directors will commission an annual financial audit by an independent third-party auditor who will report to the Directors. The Board of Directors will approve the final audit report and a copy will be provided to the charter-granting agency. Any audit exceptions and/or deficiencies will be resolved to the satisfaction of the Board of Directors and the charter-granting agency.
5. The Governance Board can appoint another individual within the organization to perform the Director's responsibilities in the case of absence.

PURCHASING

Overview

The Governing Board recognizes the importance of developing a system of internal control procedures to help fulfill its obligation to monitor and safeguard school resources. To facilitate warrant processing, the Director(s) or designee (Business Office) shall ensure that purchasing, receiving, and payment functions are kept separate. He/she shall also ensure that invoices are paid expeditiously so that the school may, to the extent possible, take advantage of available discounts and avoid finance charges.

Specific Policies & Procedures Related to Purchasing

1. The Director(s) or designee may authorize expenditures and may sign related contracts within the approved budget. The Directors or designee must approve all purchases. Purchase requisitions, authorizing the purchase of all items (format to be provided by Business Office), must be approved by the Directors or designee, and submitted to Business Office with the related invoice.
2. Staff members authorized to make purchase requests or use AMEX cards shall enter each request in the purchasing module in SmartFox.
3. Expenditures should be pre-approved by an executive team member PRIOR to purchasing
4. When approving purchases, the authorized approver must:
 - A. Determine if the expenditure is budgeted
 - B. Determine if funds are currently available for expenditures (i.e. cash flow)
 - C. Determine if the expenditure is allowable under the appropriate revenue source
 - D. Include the proper account coding
 - E. Determine if the price is competitive and prudent, and the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations. All purchases over \$25,000 must include documentation of 'Good Faith' effort to obtain the possible cost for comparable goods and services.
5. The Board of Directors will review all expenditures via approval of a check register presented at each meeting of the Board. The check register will list all checks written during a set period and includes check #, payee, date, and amount.
6. The Board of Directors must approve contracts over \$50,000.

Credit Cards

The Directors may authorize an individual to use a school credit card to make an authorized purchase on behalf of the school, consistent with guidelines provided by the Directors and/or Board of Directors.

- A. The Purchasing policy applies to all credit card use
- B. Related documentation of all purchases will be reconciled on a monthly basis.
- C. If receipts are not available or are “missing”, the individual responsible for the charge will be responsible for the payment.
- D. Credit cards will bear the names of Method School and the corresponding Director.

CONTRACTS

Overview

The Governing Board recognizes its responsibility to enter into contracts on behalf of the school for the acquisition of equipment, supplies, services, and other resources necessary for the achievement of school goals. In exercising this authority to enter into a contract, the Board shall ensure that the school's interest is protected and that the terms of the contract conform to applicable legal standards.

The Board may, by a majority vote, delegate to the Director(s) or designee (Business Office) the authority to enter into contracts on behalf of the school.

Specific Policies & Procedures Related to Contracts

1. Consideration will be made of in-house capabilities to accomplish services before contracting for them.
2. Office staff will maintain a contract file evidencing the competitive bids obtained (if any) and the justification of need for any contracts over \$50,000.
 - a. Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the school.
3. Written contracts clearly defining work to be performed will be maintained for all contract service providers (i.e. consultants, independent contractors, subcontractors).
4. Contract service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and worker's compensation insurance currently in effect. The Directors may also require that contract service providers list the school as an additional insured.
5. If the contract service provider is a sole proprietor or a partnership (including LP, and LLP), the School will obtain a W-9 from the contract service provider prior to submitting any requests for payments to Business Office.
6. The Directors will approve proposed contracts and modifications in writing.
7. Contract service providers will be paid in accordance with approved contracts as work is performed.
8. The Director(s) are responsible for ensuring the terms of the contracts are fulfilled.

9. Potential conflicts of interest will be disclosed upfront, and the Directors and/or Member(s) of the Board of Directors with the conflict will excuse themselves from discussions and from voting on the contract in accordance with the Board approved Conflict of Interest Policy on file.

EMPLOYEE REIMBURSEMENTS & TRAVEL

Expense Reimbursements

1. Any individual making an authorized purchase on behalf of the school must provide Business Office with appropriate documentation of the purchase.
2. Employees will be reimbursed for expenditures within thirty (30) days of presentation of appropriate documentation.
3. Authorized purchases will be promptly reimbursed thru payroll or by bank check upon receipt of appropriate documentation of the purchase.
4. The employee and the Director(s) must sign the expense report.
5. Expenses greater than two months old may not be reimbursed.
6. Employees will complete expense reports monthly, as necessary, to be submitted to Business Office.
7. Individuals who use personal funds to make unauthorized purchases will not be reimbursed.

Travel

1. Employees may be approved to use Method vehicles for work related travel.
2. Employees will be reimbursed for mileage in their personal vehicle when pre-approved by the Directors.
3. Mileage will be reimbursed at the government-mandated rate for the distance traveled, less the distance from the employee's residence to the school site for each direction traveled.
4. The Directors must pre-approve all out-of-town travel.
5. Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by the Directors and the event is more than 50 miles from either the employee's residence or the school site. Hotel rates should be negotiated at the lowest level possible, including the corporate, nonprofit or government rate if offered, and the lowest rate available. Employees will be reimbursed at the established per diem rate for any breakfast, lunch or dinner as outlined in the Employee Handbook.
6. After the trip, the employee must enter all the appropriate information on an

expense report and submit it to the Director(s) for approval. Once approved, the expense report will be sent to the Business Office for processing.

Board of Director Expenses

1. Similar to employees, if a Board member incurs authorized expenses while carrying out the duties of the school, the Board member will be required to complete and sign an expense report providing all corresponding expense receipts.
2. The Director(s) will approve the expense report and submit it to the Business Office for processing.

ACCOUNTS PAYABLE

Bank Check Authorization

1. All original invoices will immediately be forwarded to the Directors for approval. The Directors will carefully review each invoice, attach all supporting documentation, and verify that the specified services and/or goods were received. When receiving tangible goods from a vendor, the person designated to receive deliveries should trace the merchandise to the packing list and note any items that were not in the shipment. The packing list should be submitted to the school's Business Office with the invoice.
2. Once invoices are approved by the Directors a check authorization will be provided and an allocation to the specific budget line will be noted when applicable. All approved invoices will be sent to the Business Office on a weekly basis. (It is the responsibility of the Directors to be aware of invoice due dates to avoid late payments and fees.) The Business Office will only process invoices with sufficient supporting documentation and will communicate with the Directors if documentation is missing, before paying all expenditures.
3. The Directors may authorize the Business Office to pay reoccurring expenditures (i.e., Utilities, Rent) without the Director's formal approval on the invoice when dollar amounts fall within a predetermined range. A list of the applicable vendors and invoice dollar range for each vendor must be provided to the Business Office on an annual basis.

Bank Checks

1. The Board of Directors will approve in advance the list of authorized signers on the school account. The Directors, Board Treasurer and any other employee (designated by the Board) may sign bank checks within the established limitations.
2. The Board of Directors authorized the school's Directors to open and close bank accounts.
3. The Directors in conjunction with the Business Office will be responsible for all blank checks and will keep them under lock and key.
4. When there is a need to generate a bank check, the Directors will send appropriate and approved documentation to the Business Office.

5. Once approved by the Directors, the Business Office will process checks based on authorized approval. The Business Office will be provided a facsimile signature stamp of the school's Director(s) for check processing.
6. Checks may not be written to cash or bearer and under no circumstance will any individual sign a blank check.
7. Business Office will record the check transaction(s) into the school's General Ledger using the appropriate budget account code.
8. Business Office will distribute the checks as followed:
 - a. Original: Mailed or delivered to payee
 - b. Duplicate or Voucher: Attached to the invoice and filed by vendor name by Business Office with a duplicate copy attached in the school's General Ledger
 - c. Cancelled Checks: Will be filed numerically with bank statements
9. Voided Checks: Will have VOID written in ink. Original checks will be attached to the duplicate and forwarded to the Business Office provide who will attach any other related documentation.

Bank Reconciliation

1. Bank Statements will be reviewed jointly by the Director(s) and the Business Office.
2. Business Office will conduct thorough analysis of bank statement examining all paid checks and deposits for date, name, amount and endorsement. Any discrepancies regarding paid checks or deposits will be further researched and brought to the attention of the Director(s).
3. The Business Office will prepare the bank reconciliation thru bank account statement verifications and will facilitate any necessary adjustments.
4. The Business Office will compare the reconciled bank balance to the cash in the bank account and General Ledger. Any material discrepancies will be reported immediately to the Director(s).

Accounts Receivable

1. Documentation will be maintained for accounts receivable and forwarded to Business Office.
2. Accounts receivable will be recorded by Business Office in the school's General Ledger and collected on a timely basis.

Cash Receipts (Cash and Checks)

The school will use the guidelines as set forth by the school's Auditors and GASB Accounting Guidelines and practices.

Returned Check Policy

1. A returned-check processing fee will be charged for checks returned as non-sufficient funds (NSF). Unless otherwise pre-approved by Business Office or Directors, payment of the NSF check and processing fee must be made by money order or certified check.
2. In the event that a second NSF check is received for any individual, in addition to the processing fee, the individual will lose check-writing privileges. Payment of the NSF check, the processing fee and any subsequent payment(s) by that individual must be made by money order or certified check.
3. In the case of NSF checks written by parents of students, failure to pay may result in the withholding of report cards/transcripts at the end of the semester and/or school year until payment is received, unless other mutually agreeable arrangements are approved by the Director(s) and/or Governing Board.
4. If unsuccessful in collecting funds owed, the school may initiate appropriate collection and/or legal action at the discretion of the Directors and/or Governing Board.

(*As of the Policy Adoption Method did not maintain a Petty Cash account)

Petty Cash

1. The Directors will manage the petty cash fund.
2. The petty cash fund will be capped at \$600.00.
3. All petty cash will be kept in a locked petty cash box in the safe.
4. All disbursements will require a completed and signed petty cash slip. A register receipt for all purchases must be attached to the petty cash slip.
5. At all times the petty cash box will contain receipts and cash totaling \$600.00. A register receipt must support the petty cash slip. The individual

- using the petty cash to make a purchase is responsible for submitting the receipt for the petty cash slip to the Directors within 48 hours of withdrawing the petty cash.
6. When expenditures total \$450.00 (when cash balance is reduced to \$150.00), the Director will total the disbursement and complete a petty cash reimbursement form. This should be done on at least a quarterly basis. The petty cash slips and supporting receipts will be attached to the reimbursement request form and forwarded to the Business Office.
 7. Petty cash fund reimbursement checks will be made payable to the Directors.
 8. Any irregularities in the petty cash fund will be immediately reported in writing to the Directors.
 9. Loans will not be made from the petty cash fund.

Financial Reporting

The Director(s) or designee (Business Office) shall ensure that all financial reports are prepared in accordance with law and in conformity with generally accepted accounting principles and financial reporting standards stipulated by the Governmental Accounting Standards Board and the California Department of Education (CDE). The Director(s) in accordance with the Business Office shall establish a system of ongoing internal controls to ensure the reliability of financial reporting.

When required by law or the Board, the Director(s) or designee (Business Office) shall submit to the Board reports of the school's financial status, including, but not limited to, any report specified in this Board policy or accompanying administrative regulation. When any such report must be approved by the Board prior to its submission to a local, state, and/or federal agency, the Director(s) or designee (Business Office) shall provide the report to the Board in sufficient time to enable the Board to carefully review the report and meet any applicable submission deadline.

The Board shall regularly communicate the school's financial position to the public and shall use financial reports to determine what actions and budget amendments, if any, are needed to ensure the school's financial stability.

Unaudited Actual Receipts and Expenditures

On or before September 15, the Board shall approve and file with the County Director(s) a statement of the school's unaudited actual receipts and expenditures for the preceding fiscal year. The Director(s) or designee (Business Office) shall prepare this statement using the state's standardized account code structure (SACS) as prescribed by the Superintendent of Public Instruction (SPI). (Education Code 42100).

Interim Reports

The Director(s) or designee (Business Office) shall submit two interim fiscal reports

to the Board, the first report covering the school's financial and budgetary status for the period ending October 31 and the second report covering the period ending January 31. The reports and supporting data shall be made available by the school for public review. (Education Code 42130)

Within 45 days after the close of the period reported, the Board shall approve the interim report and certify, on the basis of the interim report and any additional financial information known by the Board.

Annual Audit

The Board of Directors will annually select an audit by March 15th to conduct the annual audit.

The audit shall include, but not be limited to:

- A. An audit of the accuracy of the financial statements
- B. An audit of the attendance accounting and revenue accuracy practices
- C. An audit of the internal control practice

To conduct the audit, the Board shall select a certified public accountant or public accountant licensed by the State Board of Accountancy from among those deemed qualified by the State Controller.

No later than December 15, the report of the audit for the preceding fiscal year shall be filed with the County Superintendent.

Budget Development and Adoption Process

In order to provide guidance in the development of the budget, the Board shall annually establish budget priorities based on identified school needs and goals and on realistic projections of available funds.

The Director(s) or designee (Business Office) shall oversee the preparation of a proposed school budget for approval by the Board and shall involve appropriate staff in the development of budget projections.

The Board shall adopt the school budget on or before July 1 of each year. (Education Code 42127)

At a public meeting held on a date after the public hearing on the budget, the Board

shall adopt the budget following its adoption of the LCAP or an annual update to the LCAP at the same meeting. The budget shall include the expenditures necessary to implement the LCAP or the annual update to the LCAP. (Education Code 42127)

The budget that is formally adopted by the Board shall adhere to the state's Standardized Account Code Structure as prescribed by the Superintendent of Public Instruction. (Education Code 42126, 42127).

Liabilities / Insurance/ Records Retention

Loans

1. The Directors and the Board of Directors will approve all loans from third parties. In the case of a long-term loan, approval may also be required from the charter-granting agency in accordance with the terms of the charter petition and/or other lenders in accordance with the loan document.
2. Once approved, a promissory note will be prepared and signed by the Directors before funds are borrowed.
3. Employee loans are not allowed.

Financial Institutions

1. All funds will be maintained at a high quality financial institution according to California code and Method Investment Policy 3040.
2. All funds will be maintained or invested in high quality, short maturity, and liquid funds.
3. Physical evidence will be maintained on-site for all financial institution transactions.

Retention of Records

1. Financial records, such as transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documentation will be retained for a minimum of seven (7) years. At the discretion of the Board of Directors or Directors, certain documentation may be maintained for a longer period of time.
2. Business Office will retain records at their site for a minimum of two (2) years; after which, the remaining five years will be the responsibility of the School.
3. Financial records will be shredded at the end of their retention period.

4. Appropriate back-up copies of electronic and paper documentation, including financial and attendance accounting data, will be regularly prepared and stored in a secure off-site location, separate from the school.

Insurance

1. Business Office will work with the Directors to ensure that appropriate insurance is maintained at all times with a high quality insurance agency.
2. The Directors and Business Office will maintain the files of insurance policies, including an up-to-date copy of all certificates of insurance, insurance policies and procedures, and related claim forms.
3. The Directors and Business Office will carefully review insurance policies on an annual basis, prior to renewal.
4. Insurance will include general liability, worker's compensation, student accident, professional liability, and directors' and officers' coverage. Supplementary coverage will cover the after-hours and weekend activities. Coverage will be in line with the limits listed in the school's approved charter petition.

Fund Balance

Overview

The Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It also is intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy should be established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the school to be in a strong fiscal position that will allow for better position to weather negative economic trends.

Unassigned Fund Balance

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget revision by the School's governing board. In the event of projected revenue shortfalls, it is the responsibility of the Chief Business Official to report the projections to the school's governing board on a quarterly basis and shall be recorded in the minutes.

Any budget revision that will result in the Unassigned Fund Balance dropping below the minimum level will require the approval of 2/3 vote of the school's governing board.

The Fund Balance Policy establishes a minimum Unassigned Fund Balance equal to 3% of total General Fund expenditures. In the event that the balance drops below the established minimum level, the School's governing board will develop a plan to replenish the fund balance to the established minimum level within five years.

Minimum Fund Balance

The school is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The school's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 10 percent of budgeted expenditures and other financing uses. The minimum fund balance/reserve of 10% is to ensure the school's ability to provide necessary services for 2-3 months of operations.

If the reserves are drawn down below the minimum required level of 10 percent, then a budgetary plan shall be implemented to return the reserve to a minimum 10 percent level in no more than a 5- year period. The progress of replenishment shall be reported in the annual budget.

Management of School Assets / Accounts

Overview

The Governing Board recognizes its fiduciary responsibility to effectively manage and safeguard the school's assets and resources in order to help achieve the school's goals for student learning. The Director(s) or designee (Business Office) shall establish and maintain an accurate, efficient financial management system that enhances the school's ability to meet its fiscal obligations, produces reliable financial reports, and complies with laws, regulations, policies, and procedures. He/she shall ensure that the school's accounting system provides ongoing internal controls and meets generally accepted accounting standards.

Internal Controls/Fraud Prevention

The Board expects Board members, employees, consultants, vendors, contractors, and other parties maintaining a business relationship with the school to act with integrity and due diligence in dealings involving the school's assets and fiscal resources.

The Director(s) or designee (Business Office) shall develop internal controls which aid in the prevention and detection of fraud, financial impropriety, or irregularity within the school. These internal controls may include, but are not limited to, segregating employee duties relating to authorization, custody of assets, and recording or reporting of transactions; providing detailed, written job descriptions explaining the segregation of functions; adopting an integrated financial system; conducting background checks on business office employees; and requiring continuous in-service training for business office staff on the importance of fraud prevention.

All employees shall be alert for any indication of fraud, financial impropriety, or irregularity within their area of responsibility. Any employee who suspects fraud, impropriety, or irregularity shall immediately report those suspicions to his/her immediate supervisor and/or the Director(s) or designee (Business Office). In addition, the Director(s) or designee (Business Office) shall establish a method for employees and outside persons to anonymously report any suspected instances of fraud, impropriety, or irregularity.

The Director(s) or designee (Business Office) shall have primary responsibility for

any necessary investigations of suspected fraud, impropriety, or irregularity, in coordination with legal counsel, the school's auditors, law enforcement agencies, or other governmental entities, as appropriate.

The Director(s) or designee (Business Office) shall provide regular reports to the Board on the status of the school's internal control procedures and recommend any necessary revisions to related Board policies or administrative regulations.

Asset & Equipment Inventory

Assets

1. An asset is defined as any individual item, purchased or donated, with a value of \$5000 or more and with a useful life of more than one year.
2. All receipts for purchased assets shall be attached to the purchase request in SmartFox and saved with the transaction in the accounting system.
3. Business Office will maintain an inventory or log of all assets. The log will include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting assets.
4. Business Office will take a physical inventory of all assets at least 90 days before the end of each fiscal year, indicating the condition and location of the asset.
5. The Directors will immediately be notified of all cases of theft, loss, damage or destruction of assets.
6. The Directors will submit to Business Office written notification of plans for disposing of assets with a clear and complete description of the asset and the date of disposal.

Equipment

1. Equipment includes items such as computers, tech devices and accessories that do not exceed the \$5000 asset threshold.
2. All receipts for purchased equipment shall be attached to the purchase request in SmartFox and saved with the transaction in the accounting system.
3. Devices loaned to students for academic purposes shall be tracked/logged during the enrollment process. (See Policy BP 2022-1)
4. Devices provided to employees shall be tracked/logged during the onboarding process. (See Policy BP 2022-1).
5. The Directors will immediately be notified of all cases of theft, loss, damage or destruction of equipment.

Method Schools Board of Directors POLICY

Fiscal Policies & Procedures – BP 2017-1

Overview

The Board of Directors of Method Schools has reviewed and adopted the following fiscal policies and procedures to ensure the most effective use of the funds of Method Schools. The purpose of the adopted policies is to support the mission of Method Schools and to ensure funds are budgeted, accounted for, expended, and maintained appropriately.

1. The Board of Directors formulates financial policies and procedures, delegate's administration of the policies and procedures to the Directors and reviews operations and activities on a regular basis.
2. The Directors have responsibility for all operations and activities related to financial management.
3. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursements, payrolls, and reconciliation of bank accounts.
4. The Board of Directors will commission an annual financial audit by an independent third-party auditor who will report to the Directors. The Board of Directors will approve the final audit report and a copy will be provided to the charter-granting agency. Any audit exceptions and/or deficiencies will be resolved to the satisfaction of the Board of Directors and the charter-granting agency.
5. The Governance Board can appoint another individual within the organization to perform the Director's responsibilities in the case of absence.

PURCHASING

Overview

The Governing Board recognizes the importance of developing a system of internal control procedures to help fulfill its obligation to monitor and safeguard school resources. To facilitate warrant processing, the Director(s) or designee (Business Office) shall ensure that purchasing, receiving, and payment functions are kept separate. He/she shall also ensure that invoices are paid expeditiously so that the school may, to the extent possible, take advantage of available discounts and avoid finance charges.

Specific Policies & Procedures Related to Purchasing

1. The Director(s) or designee may authorize expenditures and may sign related contracts within the approved budget. The Directors or designee must approve all purchases. Purchase requisitions, authorizing the purchase of all items (format to be provided by Business Office), must be approved by the Directors or designee, and submitted to Business Office with the related invoice.
2. Staff members authorized to make purchase requests or use AMEX cards shall enter each request in the purchasing module in SmartFox.
3. Expenditures should be pre-approved by an executive team member PRIOR to purchasing
4. When approving purchases, the authorized approver must:
 - A. Determine if the expenditure is budgeted
 - B. Determine if funds are currently available for expenditures (i.e. cash flow)
 - C. Determine if the expenditure is allowable under the appropriate revenue source
 - D. Include the proper account coding
 - E. Determine if the price is competitive and prudent, and the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations. All purchases over \$25,000 must include documentation of 'Good Faith' effort to obtain the possible cost for comparable goods and services.
5. The Board of Directors will review all expenditures via approval of a check register presented at each meeting of the Board. The check register will list all checks written during a set period and includes check #, payee, date, and amount.
6. The Board of Directors must approve contracts over \$50,000.

Credit Cards

The Directors may authorize an individual to use a school credit card to make an authorized purchase on behalf of the school, consistent with guidelines provided by the Directors and/or Board of Directors.

- A. The Purchasing policy applies to all credit card use
- B. Related documentation of all purchases will be reconciled on a monthly basis.
- C. If receipts are not available or are “missing”, the individual responsible for the charge will be responsible for the payment.
- D. Credit cards will bear the names of Method School and the corresponding Director.

CONTRACTS

Overview

The Governing Board recognizes its responsibility to enter into contracts on behalf of the school for the acquisition of equipment, supplies, services, and other resources necessary for the achievement of school goals. In exercising this authority to enter into a contract, the Board shall ensure that the school's interest is protected and that the terms of the contract conform to applicable legal standards.

The Board may, by a majority vote, delegate to the Director(s) or designee (Business Office) the authority to enter into contracts on behalf of the school.

Specific Policies & Procedures Related to Contracts

1. Consideration will be made of in-house capabilities to accomplish services before contracting for them.
2. Office staff will maintain a contract file evidencing the competitive bids obtained (if any) and the justification of need for any contracts over \$50,000.
 - a. Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the school.
3. Written contracts clearly defining work to be performed will be maintained for all contract service providers (i.e. consultants, independent contractors, subcontractors).
4. Contract service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and worker's compensation insurance currently in effect. The Directors may also require that contract service providers list the school as an additional insured.
5. If the contract service provider is a sole proprietor or a partnership (including LP, and LLP), the School will obtain a W-9 from the contract service provider prior to submitting any requests for payments to Business Office.
6. The Directors will approve proposed contracts and modifications in writing.
7. Contract service providers will be paid in accordance with approved contracts as work is performed.
8. The Director(s) are responsible for ensuring the terms of the contracts are fulfilled.

9. Potential conflicts of interest will be disclosed upfront, and the Directors and/or Member(s) of the Board of Directors with the conflict will excuse themselves from discussions and from voting on the contract in accordance with the Board approved Conflict of Interest Policy on file.

EMPLOYEE REIMBURSEMENTS & TRAVEL

Expense Reimbursements

1. Any individual making an authorized purchase on behalf of the school must provide Business Office with appropriate documentation of the purchase.
2. Employees will be reimbursed for expenditures within thirty (30) days of presentation of appropriate documentation.
3. Authorized purchases will be promptly reimbursed thru payroll or by bank check upon receipt of appropriate documentation of the purchase.
4. The employee and the Director(s) must sign the expense report.
5. Expenses greater than two months old may not be reimbursed.
6. Employees will complete expense reports monthly, as necessary, to be submitted to Business Office.
7. Individuals who use personal funds to make unauthorized purchases will not be reimbursed.

Travel

1. Employees may be approved to use Method vehicles for work related travel.
2. Employees will be reimbursed for mileage in their personal vehicle when pre-approved by the Directors.
3. Mileage will be reimbursed at the government-mandated rate for the distance traveled, less the distance from the employee's residence to the school site for each direction traveled.
4. The Directors must pre-approve all out-of-town travel.
5. Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by the Directors and the event is more than 50 miles from either the employee's residence or the school site. Hotel rates should be negotiated at the lowest level possible, including the corporate, nonprofit or government rate if offered, and the lowest rate available. Employees will be reimbursed at the established per diem rate for any breakfast, lunch or dinner as outlined in the Employee Handbook.
6. After the trip, the employee must enter all the appropriate information on an

expense report and submit it to the Director(s) for approval. Once approved, the expense report will be sent to the Business Office for processing.

Board of Director Expenses

1. Similar to employees, if a Board member incurs authorized expenses while carrying out the duties of the school, the Board member will be required to complete and sign an expense report providing all corresponding expense receipts.
2. The Director(s) will approve the expense report and submit it to the Business Office for processing.

ACCOUNTS PAYABLE

Bank Check Authorization

1. All original invoices will immediately be forwarded to the Directors for approval. The Directors will carefully review each invoice, attach all supporting documentation, and verify that the specified services and/or goods were received. When receiving tangible goods from a vendor, the person designated to receive deliveries should trace the merchandise to the packing list and note any items that were not in the shipment. The packing list should be submitted to the school's Business Office with the invoice.
2. Once invoices are approved by the Directors a check authorization will be provided and an allocation to the specific budget line will be noted when applicable. All approved invoices will be sent to the Business Office on a weekly basis. (It is the responsibility of the Directors to be aware of invoice due dates to avoid late payments and fees.) The Business Office will only process invoices with sufficient supporting documentation and will communicate with the Directors if documentation is missing, before paying all expenditures.
3. The Directors may authorize the Business Office to pay reoccurring expenditures (i.e., Utilities, Rent) without the Director's formal approval on the invoice when dollar amounts fall within a predetermined range. A list of the applicable vendors and invoice dollar range for each vendor must be provided to the Business Office on an annual basis.

Bank Checks

1. The Board of Directors will approve in advance the list of authorized signers on the school account. The Directors, Board Treasurer and any other employee (designated by the Board) may sign bank checks within the established limitations.
2. The Board of Directors authorized the school's Directors to open and close bank accounts.
3. The Directors in conjunction with the Business Office will be responsible for all blank checks and will keep them under lock and key.
4. When there is a need to generate a bank check, the Directors will send appropriate and approved documentation to the Business Office.

5. Once approved by the Directors, the Business Office will process checks based on authorized approval. The Business Office will be provided a facsimile signature stamp of the school's Director(s) for check processing.
6. Checks may not be written to cash or bearer and under no circumstance will any individual sign a blank check.
7. Business Office will record the check transaction(s) into the school's General Ledger using the appropriate budget account code.
8. Business Office will distribute the checks as followed:
 - a. Original: Mailed or delivered to payee
 - b. Duplicate or Voucher: Attached to the invoice and filed by vendor name by Business Office with a duplicate copy attached in the school's General Ledger
 - c. Cancelled Checks: Will be filed numerically with bank statements
9. Voided Checks: Will have VOID written in ink. Original checks will be attached to the duplicate and forwarded to the Business Office provide who will attach any other related documentation.

Bank Reconciliation

1. Bank Statements will be reviewed jointly by the Director(s) and the Business Office.
2. Business Office will conduct thorough analysis of bank statement examining all paid checks and deposits for date, name, amount and endorsement. Any discrepancies regarding paid checks or deposits will be further researched and brought to the attention of the Director(s).
3. The Business Office will prepare the bank reconciliation thru bank account statement verifications and will facilitate any necessary adjustments.
4. The Business Office will compare the reconciled bank balance to the cash in the bank account and General Ledger. Any material discrepancies will be reported immediately to the Director(s).

Accounts Receivable

1. Documentation will be maintained for accounts receivable and forwarded to Business Office.
2. Accounts receivable will be recorded by Business Office in the school's General Ledger and collected on a timely basis.

Cash Receipts (Cash and Checks)

The school will use the guidelines as set forth by the school's Auditors and GASB Accounting Guidelines and practices.

Returned Check Policy

1. A returned-check processing fee will be charged for checks returned as non-sufficient funds (NSF). Unless otherwise pre-approved by Business Office or Directors, payment of the NSF check and processing fee must be made by money order or certified check.
2. In the event that a second NSF check is received for any individual, in addition to the processing fee, the individual will lose check-writing privileges. Payment of the NSF check, the processing fee and any subsequent payment(s) by that individual must be made by money order or certified check.
3. In the case of NSF checks written by parents of students, failure to pay may result in the withholding of report cards/transcripts at the end of the semester and/or school year until payment is received, unless other mutually agreeable arrangements are approved by the Director(s) and/or Governing Board.
4. If unsuccessful in collecting funds owed, the school may initiate appropriate collection and/or legal action at the discretion of the Directors and/or Governing Board.

(*As of the Policy Adoption Method did not maintain a Petty Cash account)

Petty Cash

1. The Directors will manage the petty cash fund.
2. The petty cash fund will be capped at \$600.00.
3. All petty cash will be kept in a locked petty cash box in the safe.
4. All disbursements will require a completed and signed petty cash slip. A register receipt for all purchases must be attached to the petty cash slip.
5. At all times the petty cash box will contain receipts and cash totaling \$600.00. A register receipt must support the petty cash slip. The individual

- using the petty cash to make a purchase is responsible for submitting the receipt for the petty cash slip to the Directors within 48 hours of withdrawing the petty cash.
6. When expenditures total \$450.00 (when cash balance is reduced to \$150.00), the Director will total the disbursement and complete a petty cash reimbursement form. This should be done on at least a quarterly basis. The petty cash slips and supporting receipts will be attached to the reimbursement request form and forwarded to the Business Office.
 7. Petty cash fund reimbursement checks will be made payable to the Directors.
 8. Any irregularities in the petty cash fund will be immediately reported in writing to the Directors.
 9. Loans will not be made from the petty cash fund.

Financial Reporting

The Director(s) or designee (Business Office) shall ensure that all financial reports are prepared in accordance with law and in conformity with generally accepted accounting principles and financial reporting standards stipulated by the Governmental Accounting Standards Board and the California Department of Education (CDE). The Director(s) in accordance with the Business Office shall establish a system of ongoing internal controls to ensure the reliability of financial reporting.

When required by law or the Board, the Director(s) or designee (Business Office) shall submit to the Board reports of the school's financial status, including, but not limited to, any report specified in this Board policy or accompanying administrative regulation. When any such report must be approved by the Board prior to its submission to a local, state, and/or federal agency, the Director(s) or designee (Business Office) shall provide the report to the Board in sufficient time to enable the Board to carefully review the report and meet any applicable submission deadline.

The Board shall regularly communicate the school's financial position to the public and shall use financial reports to determine what actions and budget amendments, if any, are needed to ensure the school's financial stability.

Unaudited Actual Receipts and Expenditures

On or before September 15, the Board shall approve and file with the County Director(s) a statement of the school's unaudited actual receipts and expenditures for the preceding fiscal year. The Director(s) or designee (Business Office) shall prepare this statement using the state's standardized account code structure (SACS) as prescribed by the Superintendent of Public Instruction (SPI). (Education Code 42100).

Interim Reports

The Director(s) or designee (Business Office) shall submit two interim fiscal reports

to the Board, the first report covering the school's financial and budgetary status for the period ending October 31 and the second report covering the period ending January 31. The reports and supporting data shall be made available by the school for public review. (Education Code 42130)

Within 45 days after the close of the period reported, the Board shall approve the interim report and certify, on the basis of the interim report and any additional financial information known by the Board.

Annual Audit

The Board of Directors will annually select an audit by March 15th to conduct the annual audit.

The audit shall include, but not be limited to:

- A. An audit of the accuracy of the financial statements
- B. An audit of the attendance accounting and revenue accuracy practices
- C. An audit of the internal control practice

To conduct the audit, the Board shall select a certified public accountant or public accountant licensed by the State Board of Accountancy from among those deemed qualified by the State Controller.

No later than December 15, the report of the audit for the preceding fiscal year shall be filed with the County Superintendent.

Budget Development and Adoption Process

In order to provide guidance in the development of the budget, the Board shall annually establish budget priorities based on identified school needs and goals and on realistic projections of available funds.

The Director(s) or designee (Business Office) shall oversee the preparation of a proposed school budget for approval by the Board and shall involve appropriate staff in the development of budget projections.

The Board shall adopt the school budget on or before July 1 of each year. (Education Code 42127)

At a public meeting held on a date after the public hearing on the budget, the Board

shall adopt the budget following its adoption of the LCAP or an annual update to the LCAP at the same meeting. The budget shall include the expenditures necessary to implement the LCAP or the annual update to the LCAP. (Education Code 42127)

The budget that is formally adopted by the Board shall adhere to the state's Standardized Account Code Structure as prescribed by the Superintendent of Public Instruction. (Education Code 42126, 42127).

Liabilities / Insurance/ Records Retention

Loans

1. The Directors and the Board of Directors will approve all loans from third parties. In the case of a long-term loan, approval may also be required from the charter-granting agency in accordance with the terms of the charter petition and/or other lenders in accordance with the loan document.
2. Once approved, a promissory note will be prepared and signed by the Directors before funds are borrowed.
3. Employee loans are not allowed.

Financial Institutions

1. All funds will be maintained at a high quality financial institution according to California code and Method Investment Policy 3040.
2. All funds will be maintained or invested in high quality, short maturity, and liquid funds.
3. Physical evidence will be maintained on-site for all financial institution transactions.

Retention of Records

1. Financial records, such as transaction ledgers, canceled/duplicate checks, attendance and entitlement records, payroll records, and any other necessary fiscal documentation will be retained for a minimum of seven (7) years. At the discretion of the Board of Directors or Directors, certain documentation may be maintained for a longer period of time.
2. Business Office will retain records at their site for a minimum of two (2) years; after which, the remaining five years will be the responsibility of the School.
3. Financial records will be shredded at the end of their retention period.

4. Appropriate back-up copies of electronic and paper documentation, including financial and attendance accounting data, will be regularly prepared and stored in a secure off-site location, separate from the school.

Insurance

1. Business Office will work with the Directors to ensure that appropriate insurance is maintained at all times with a high quality insurance agency.
2. The Directors and Business Office will maintain the files of insurance policies, including an up-to-date copy of all certificates of insurance, insurance policies and procedures, and related claim forms.
3. The Directors and Business Office will carefully review insurance policies on an annual basis, prior to renewal.
4. Insurance will include general liability, worker's compensation, student accident, professional liability, and directors' and officers' coverage. Supplementary coverage will cover the after-hours and weekend activities. Coverage will be in line with the limits listed in the school's approved charter petition.

Fund Balance

Overview

The Fund Balance Policy is intended to provide guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It also is intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy should be established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the school to be in a strong fiscal position that will allow for better position to weather negative economic trends.

Unassigned Fund Balance

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget revision by the School's governing board. In the event of projected revenue shortfalls, it is the responsibility of the Chief Business Official to report the projections to the school's governing board on a quarterly basis and shall be recorded in the minutes.

Any budget revision that will result in the Unassigned Fund Balance dropping below the minimum level will require the approval of 2/3 vote of the school's governing board.

The Fund Balance Policy establishes a minimum Unassigned Fund Balance equal to 3% of total General Fund expenditures. In the event that the balance drops below the established minimum level, the School's governing board will develop a plan to replenish the fund balance to the established minimum level within five years.

Minimum Fund Balance

The school is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The school's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 10 percent of budgeted expenditures and other financing uses. The minimum fund balance/reserve of 10% is to ensure the school's ability to provide necessary services for 2-3 months of operations.

If the reserves are drawn down below the minimum required level of 10 percent, then a budgetary plan shall be implemented to return the reserve to a minimum 10 percent level in no more than a 5- year period. The progress of replenishment shall be reported in the annual budget.

Management of School Assets / Accounts

Overview

The Governing Board recognizes its fiduciary responsibility to effectively manage and safeguard the school's assets and resources in order to help achieve the school's goals for student learning. The Director(s) or designee (Business Office) shall establish and maintain an accurate, efficient financial management system that enhances the school's ability to meet its fiscal obligations, produces reliable financial reports, and complies with laws, regulations, policies, and procedures. He/she shall ensure that the school's accounting system provides ongoing internal controls and meets generally accepted accounting standards.

Internal Controls/Fraud Prevention

The Board expects Board members, employees, consultants, vendors, contractors, and other parties maintaining a business relationship with the school to act with integrity and due diligence in dealings involving the school's assets and fiscal resources.

The Director(s) or designee (Business Office) shall develop internal controls which aid in the prevention and detection of fraud, financial impropriety, or irregularity within the school. These internal controls may include, but are not limited to, segregating employee duties relating to authorization, custody of assets, and recording or reporting of transactions; providing detailed, written job descriptions explaining the segregation of functions; adopting an integrated financial system; conducting background checks on business office employees; and requiring continuous in-service training for business office staff on the importance of fraud prevention.

All employees shall be alert for any indication of fraud, financial impropriety, or irregularity within their area of responsibility. Any employee who suspects fraud, impropriety, or irregularity shall immediately report those suspicions to his/her immediate supervisor and/or the Director(s) or designee (Business Office). In addition, the Director(s) or designee (Business Office) shall establish a method for employees and outside persons to anonymously report any suspected instances of fraud, impropriety, or irregularity.

The Director(s) or designee (Business Office) shall have primary responsibility for

any necessary investigations of suspected fraud, impropriety, or irregularity, in coordination with legal counsel, the school's auditors, law enforcement agencies, or other governmental entities, as appropriate.

The Director(s) or designee (Business Office) shall provide regular reports to the Board on the status of the school's internal control procedures and recommend any necessary revisions to related Board policies or administrative regulations.

Asset & Equipment Inventory

Assets

1. An asset is defined as any individual item, purchased or donated, with a value of \$5000 or more and with a useful life of more than one year.
2. All receipts for purchased assets shall be attached to the purchase request in SmartFox and saved with the transaction in the accounting system.
3. Business Office will maintain an inventory or log of all assets. The log will include the original purchase price and date, a brief description, serial numbers, and other information appropriate for documenting assets.
4. Business Office will take a physical inventory of all assets at least 90 days before the end of each fiscal year, indicating the condition and location of the asset.
5. The Directors will immediately be notified of all cases of theft, loss, damage or destruction of assets.
6. The Directors will submit to Business Office written notification of plans for disposing of assets with a clear and complete description of the asset and the date of disposal.

Equipment

1. Equipment includes items such as computers, tech devices and accessories that do not exceed the \$5000 asset threshold.
2. All receipts for purchased equipment shall be attached to the purchase request in SmartFox and saved with the transaction in the accounting system.
3. Devices loaned to students for academic purposes shall be tracked/logged during the enrollment process. (See Policy BP 2022-1)
4. Devices provided to employees shall be tracked/logged during the onboarding process. (See Policy BP 2022-1).
5. The Directors will immediately be notified of all cases of theft, loss, damage or destruction of equipment.

Method Schools Board of Directors POLICY

3050 Asset/Equipment Care and Return Policy

The Board of Directors of Method Schools has reviewed and approved the following policy regarding assets/equipment provided to students and employees. The purpose of the policy is to safeguard Method School assets.

Employee Issued Equipment/Assets:

During the onboarding process, employees may be issued company property including a computer, laptop, monitor, printer, or similar device. Employees will be provided a Property Issuance Form for items provided which will be maintained by HR. Employees are expected to take proper precautions to care for company equipment and use appropriately as outlined in the employee handbook. Upon termination, employees are required to return all company equipment in proper working order. Method Schools reserves the right to deduct the value of any unreturned asset against the employee's final paycheck and collect any balance due via the collections process. Method Schools reserves the right to prosecute for any failure to return equipment if the failure to do so constitutes theft.

Method Schools reserves the right to inspect company owned equipment, as outlined in the Method Employee Handbook.

Computers/Devices on Loan to Students

As part of enrollment with Method Schools, students may be issued a Chromebook, laptop, or similar device for their academic use. Students are expected to take proper precautions to care for Method Schools equipment and use appropriately.

The equipment will be returned to the school on a date to be requested or sooner if the student is discharged from school prior to the end of the school year as per the computer loan agreement form signed by the parent and student. If the laptop equipment is lost, stolen or damaged while in the Borrower's possession, the Borrower is responsible for the replacement or repair thereof of the device they are loaned. Borrower's will be given a loaner receipt that includes items assigned, and their replacement cost at the time of receiving their loaner equipment. Method Schools reserves the right to collect the value of any unreturned equipment via the collections process, and or prosecute for any failure to return equipment if the failure to do so constitutes theft.

AGENDA

Method Schools Regular Meeting of the Board of Directors

Wednesday, June 1, 2022, 6:00 PM

24620 Jefferson Ave, Murrieta, California

<https://methodschools.zoom.us/j/96431280715?pwd=OEFiM2crYi9NMXUrTVJlQTBZNUlwdz09>

Instructions for Presentations to the Board by Parents and Citizens

Method Schools ("School") welcomes your participation at the School's Board meetings. The purpose of a public meeting of the Board of Directors ("Board") is to conduct the affairs of the School in public. Your participation assures us of continuing community interest in our School. To assist you in the ease of speaking/participating in our meetings, the following guidelines are provided:

Agendas and "Submit a Public Comment" forms are available via the link on our website on the Board Page. If you wish to speak, please fill out the form and specify the agenda item on which you wish to speak. When addressing the Board, speakers are requested to state their name and address and adhere to the time limits set forth.

Public Communication on Non-Agenda Issues: This is an opportunity for members of the audience to raise issues that are not specifically on the agenda. You will be given an opportunity to speak for a maximum of three (3) minutes and total time allotted to non-agenda items will not exceed fifteen (15) minutes. Non-English speakers requiring translation are allotted a maximum of six (6) minutes. Due to public meeting laws, the Board can only listen to your issue and not respond or take action. The Board may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item

Agenda items: To address the Board on agenda items, please specify the item on which you wish to speak on your "Public Comment". You will be given an opportunity to speak for up to three (3) minutes when the Board discusses that item.

3. Public Records: Any public records relating to an agenda item for an open session of the Board that are distributed to the Board members shall be available for public inspection at the School office. Minutes of each Board meeting will also be available at the School office.

Americans with Disabilities Act (ADA): Upon request, the School will furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate assistance in order to participate in Board meetings are invited to contact Method Board Secretary Gloria Vargas at gvargas@methodschools.org by noon of the business day preceding the board meeting.

Translation services: Translation services are available by notifying the above school office by noon of the business day preceding the board meeting.

AGENDA

Method Schools Regular Meeting of the Board of Directors

1.0 Call to Order: Board President Dr. Steven Dorsey called Board Meeting to order at 6:03 P.M.

2.0 Roll Call

Present: Carolyn Andrews, Shannon Clark, Tyler Roberts, Steven Dorsey

Absent: Gloria Vargas

Method Staff: Tracy Robertson, Yvette Rios, Stefanie Bryant, Jessica Spallino, Mark Holley, Jade Fernandez

3.0 Public Communication on Non-Agenda Items

- None

4.0 Emergency Findings: Consideration of findings to continue to hold virtual meetings pursuant to AB 361, including without limitation that: (1) the State and local state of emergency due to the COVID-19 pandemic continues to directly impact the ability of members to meet safely in person, (2) state and local officials continue to recommend social distancing measures, and (3) meeting in person would present imminent risks to the health or safety of attendees and/or the state of emergency continues to directly impact the ability of the members to meet safely in person due to the prevalence of the Delta variant of the COVID-19 virus, the indoor setting of meeting facilities, the potential presence of unvaccinated individuals attending meetings, the potential for noncompliance with mask wearing requirements, and desire to protect the health of immuno-compromised persons.

Motion: Carolyn Andrews

Second: Tyler Roberts

Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey

Noes: 0

Action: Passed

5.0 Reports

- **CEO:**
 - **Founder Evaluations**
 - Tracy Robertson: So far, we have received 2 for CBO and 3 for CEO. We'll plan to present those at the next meeting date.
 - **Close-out of OKRs**
 - Jessica Spallino: The only thing that we wanted to close out with was the CAASPP participation rate. We landed at 95.16% for LA and 97% for San Diego. We're working on developing 2022-23 OKRs. We'll likely share those in August.
 - Jessica Spallino: Regarding Dehesa and Acton's annual reviews, we finished out the annual review for Dehesa, got the draft report today, and have until the 8th to review and address anything. We'll share out once it's finalized. We have our final call for Acton's final review on Monday, and we should be finishing that out.
- **CBO:**
 - **Instructional Funds**
 - Mark Holley: We've narrowed it down to 20 cities we want to focus on for next year as far as enrollment. We're one of the only charter schools that doesn't offer instructional funds and would like to do so again. The funds allow families to choose extensions past the traditional curriculum, where students can obtain help outside of SmartFox. It is for instructions, not excursions.
 - Question: Shannon Clark: Would a child be able to take a gymnastics course to fulfill their requirements?
 - Mark: Yes, they can. We would consider that PE instruction.
 - Question: Shannon: Would it include excursions such as a field trip to see the King Tut exhibit at a museum?

AGENDA

Method Schools Regular Meeting of the Board of Directors

- Mark: We would do those through the school.
- Question: Shannon: Would it be a direct reimbursement to the parent?
- Mark: We would pay for it directly.
- **Senior Director of Schools:**
 - **Student Highlights**
 - Jade Fernandez: Today was the graduation. A couple weeks ago, students went to Grad Night and they had fun. In doing so, we were able to donate a lot of time to food banks. Students had elementary school field day. We have joined South Valley CIF. We're starting to plan events and field trips for 2022-23.

6.0 Action: LCAP

Discussion: Jade Fernandez: This was presented last month. This is just to vote on. We want to focus on academic achievement, continue our goal of offering wraparound services, and we want to develop our staff better to support our families.

Motion: Shannon Clark

Second: Tyler Roberts

Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey

Noes: 0

Action: Passed

7.0 Action: 2022-23 Budget Approval

Discussion: Stefanie Bryant: These are the adopted budgets for the 22-23 school year. Revenue Assumptions- the state is doing a 6.5% COLA and we included that in our revenues. We're running around 1,000 ADA. We did not include a couple of possible one-time funds. Expenditure Assumption- we did the 7.5% COLAs, there are no significant changes to FTE, and we've got some summer school costs. Fund Balances and Cash Flows are at a good place. Our break even point is around 900 ADA. If we have 3,500 enrolled on July 1, it will equate to about 525 ADA.

Question: Shannon Clark: This takes into account moving out of the lease, right?

Stefanie: Yes.

Motion: Carolyn Andrews

Second: Shannon Clark

Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey

Noes: 0

Action: Passed

8.0 Action: 2022-23 Board Assignments - Second Reading

Discussion: Question: Carolyn Andrews: How much time does it take to meet with the authorizers and auditors?

Jessica Spallino: Authorizers are a couple hours, auditors are about an hour. For the authorizers and auditors, it doesn't always have to be the board president. Carolyn- I think you'd be able to handle it quite well. I think it would be good to shift roles. Would anybody like to propose who would be where?

Carolyn: I'll step in wherever you need me.

Mark Holley: The Secretary should be Shannon.

Stefanie Bryant: The superintendent is typically considered the Treasurer.

Jessica: Could Tyler be Vice President and Steve could be Member.

Shannon: Carolyn as President. We'll need to update the board page.

Motion: Shannon Clark

AGENDA

Method Schools Regular Meeting of the Board of Directors

Second: Steven Dorsey
Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey
Noes: 0
Action: Passed

9.0 Action: CDE Secondary District Plan and Application for the Work Experience Education (WEE) Program

Discussion: Jade Fernandez: We have a counselor who wants to start work experience education. It'll be an excellent resource for our students. We have taken the plan directly from CDE. You get your own work experience, you get your own job, and receive credits.

Motion: Shannon Clark
Second: Carolyn Andrews
Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey
Noes: 0
Action: Passed

10.0 Action: EPA Expenditure Resolutions for 2021/22 (final)- Method Schools and Method Schools, LA

Discussion: Stefanie Bryant: This is something you adopted the resolution a year ago. It says you will spend EPA (Education Protection Act) funds as they should be spent. This is the final resolution for 22-23, as there will not be a resolution for 23-24.

Motion: Carolyn Andrews
Second: Tyler Roberts
Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey
Noes: 0
Action: Passed

11.0 Action: Revision to Promotion Retention Policy

Discussion: Jade Fernandez: The only new sentence we've added is to be able to accept a student whose gotten a grade retention elsewhere within that same semester. In the past, they've had to wait an entire year before they enroll with us.

Motion: Shannon Clark
Second: Tyler Roberts
Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey
Noes: 0
Action: Passed

12.0 Action: 2022-23 Handbooks, Parent/Student and Employee (with the revision of the phone numbers)

Discussion: Jade Fernandez: There were very few updates to the Parent/Student handbook such as the school calendar and graduation requirements, but we do expect we'll have to revise this again once we have guidance on what we'll need to do for tiered re-engagement.

Tracy Robertson: We have added one sentence to the Employee Handbook on page 16 regarding clarification on professional appearance.

Question: Jessica Spallino: Can you change the phone number listed under Sexual Harrassment?

Tracy: We will update it to my Method phone number and extension. We updated the staff calendar and PTO policy as well.

Steve: Motion to approve with the revisions of the phone numbers.

Motion: Carolyn Andrews

AGENDA

Method Schools Regular Meeting of the Board of Directors

Second: Shannon Clark

Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey

Noes: 0

Action: Passed

13.0 Consent Items: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board's votes on them.

- **Approval of May 17, 2022 Meeting Minutes**

Ayes: Shannon Clark, Carolyn Andrews, Tyler Roberts, Steven Dorsey

Noes: 0

Action: Passed

14.0 Information/ Discussion Items:

- **2022-23 Board Meeting Dates**

- o Question: Jessica Spallino: Per the assembly bill, to keep these virtual every 30 days is through 2023-24, correct?
- o Tracy Robertson: Yes
- o Jessica: We can schedule them for every 30 days for this coming school year.
- o Tracy: I have them for the 2nd Tuesday of every month, but we can switch to the 3rd Tuesday of every month.
- o Shannon Clark: We'll schedule the next meeting for July 12th and if Tracy can send the calendars before then to compare to our calendars.
- o Tracy: Yes, I will do that.

15.0 Upcoming Agenda Items

- Founder Evaluations
- 2022-23 OKRs (August)
- Will likely have updated handbooks

16.0 Board Member Reports:

- Shannon Clark: I would like to share how awesome everyone did at graduation today. I enjoyed seeing such a large graduating class, being able to see the excitement students had.

17.0 Action: Motion to Adjourn the Meeting

Board President Dr. Steven Dorsey motioned to adjourn the meeting at 7:25 P.M.

Board Meeting Recording Link:

https://methodschoools.zoom.us/rec/share/ZGOpgcr7AjG4ulRqPWJikCUicavg-F_PAz8UZTdglRPS1nnLbwQJkiNVyhVflbTm.LFENISKm8RzSq30H

Jul 12, 2022

Board Memo Re: Method Vehicles

Method currently has 4 “STEM” vans, which were purchased before the price of vans reached all time highs. The vans are used for events, and each day during the school year at least one van - and often all four – are out somewhere in Southern California. Because they’re wrapped, they’re also used for marketing.

Due to a new LA HQ in Pasadena (shared co-op space), and the expiration of the current HQ lease in Murrieta, and likely a new shared co-op space in San Diego coming in 2023, leaders are, and will be, driving more than ever. We have determined to purchase two Method vehicles – one hybrid Camry and an affordable electric vehicle (the cheapest Hyundai electric car) – for the CEO and for the Director of Schools since they drive extensively. These vehicles will include wrapping or other types of marketing print, such as magnets and vinyl lettering. The vehicles will remain the property of Method Schools and if either employee left, which is not expected, the vehicles would remain with the organization and go to replacement employees.

Because the purchase amounts do not meet the board approval threshold of \$50,000, we have not included these purchases as action items. However, **because they could be construed as compensation, we are including them as an information item that can be modified to an action item if the board sees fit.** The employees would be expected to use these vehicles for official travel and for marketing purposes when out and about our service area, which covers an area that stretches from the border in San Diego north beyond Bakersfield.

Below is an example of one of the vehicles that has window “perf” wrap, which was later modified to improve vehicle safety when backing out.

