

With respect to the actual, ongoing condition of the school's financial health, the Administrator shall not cause or allow a material deviation from the budget policy adopted by the Board or any fiscal condition that is inconsistent with achieving the Board's ends, that disregards the Board's ultimate authority to determine financial matters or places the long term financial health of the school in jeopardy.

Accordingly, the Administrator may not:

1. Expend more funds than have been received in the fiscal year to date through use of reserves or unless revenues are made available through other legal means.
2. Fail to comply with state law regarding financial accounting.
3. Transfer unencumbered moneys from one fund to another.
4. Access funds from the Sustainability Fund except according to the requirements set forth in GP-15.
5. Fail to settle payroll and debts in a timely manner.
6. Allow reports or filings required by any state or federal agency to be overdue or inaccurately filed.
7. Fail to arrange for the annual audit of all school funds and accounts following the close of the fiscal year.
8. Fail to aggressively pursue receivables after a reasonable grace period.
9. Fail to keep complete and accurate financial records by funds and accounts in accordance with generally recognized principles of governmental accounting.

Policy Number: EL-8
Policy Type: Executive Limitations
Policy Title: Financial Administration

10. Enter into any contract with any of the Board members or with a firm or corporation in which Board a member has a financial interest unless one or more of the following apply:

- a. The contract is awarded to the lowest responsible bidder based on competitive bidding procedures;
- b. The merchandise is sold to the highest bidder at a public auction;
- c. The transaction involves investing or depositing money in a financial institution which is in the business of loaning money or receiving money;
- d. If, because of geographic restrictions, the school could not otherwise reasonably afford the contract because the additional cost to the school would be greater than 10 percent of the contract with the interested member or if the contract is for services that must be performed within a limited time period and no other contractor can perform the services;
- e. If the contract is one in which the Board member has disclosed a personal interest and is one on which the member has not voted or has voted as allowed in state law following disclosure to the secretary of state and to the Board;
- f. Except as described herein, a Board member shall not be a purchaser at any sale of school-owned property or a vendor for any purchase made by the school.

11. Fail to provide a financial condition statement quarterly to the charter Board and annually to the district board.