



## Nome Public Schools

### **MEMORANDUM**

To: Board of Education  
Thru: Jamie Burgess, Superintendent  
From: Genevieve Hollins, Contracted CFO  
Alaska Education & Business Services, Inc.  
Date: November 7, 2024  
Subject: **Financial Narrative**

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#### **FY2024 Audit**

The FY2024 audited financial statements are included in this month's board packet and are listed as an action item for approval. The audit went well and there were no findings.

#### **Grants**

The first quarter grant reimbursements were due October 31<sup>st</sup>, and all that had approved grant applications were submitted. There are still 7 grant funds without approved applications for which we will still need to seek reimbursement.

#### **FY2025 Student Count - Foundation Funding**

Fall OASIS was submitted to the State. The District's student count has dropped significantly from FY2024, and significantly from what is budgeted. The drop in student count amounts to a \$410,888 reduction in Foundation funding. We will not meet the 5% decrease threshold for a hold harmless step-down approach because we were at 4.857% (brick-and-mortar only).

<u>School</u>	<u>FY2024</u> <u>Student Count</u>	<u>FY2025</u> <u>Budgeted Count</u>	<u>FY2025</u> <u>Student Count</u>	<u>Difference</u>
ACSA	60.00	60.00	60.00	0.00
NES	325.11	330.00	294.37	(35.63)
NBMHS	285.00	285.00	274.20	(10.80)
Corresp	25.10	22.00	33.25	11.25
<b>TOTAL</b>	<b>695.21</b>	<b>697.00</b>	<b>661.82</b>	<b>(35.18)</b>

#### **State of Alaska Reporting**

Over the past several years the State of Alaska legislature and federal government have added several additional reporting requirements for school districts. These include:

- ✚ *Fund Balance Reporting* - HB 268 - Added as a reporting requirement in FY2024.
  - Cash Basis as of October 31<sup>st</sup>; due November 25<sup>th</sup>.
  - Cash Basis as of December 31<sup>st</sup>; due January 20<sup>th</sup>.

- ✚ *Correspondence Program Report* - HB 202 - Added as a reporting requirement in FY2025.
  - A district that provides a correspondence study program shall submit an annual report to the department that includes....an accounting of student allotment funds that have been disbursed...a review of curricula that have been provided by the program or purchased using allotment funds.
  - Prior Fiscal Year Data due by December 1<sup>st</sup>.
- ✚ *Per Pupil Expenditure Reporting* - The ESEA as amended by ESSA require that per-pupil expenditures be reported on annual State and school district report cards. This was added as a reporting requirement in FY2019.
  - Prior Fiscal Year Data due by December 15<sup>th</sup>.

**FY2026 Budget Timeline**

The FY2026 budget timeline is included in the Consent Agenda. Below is a copy of same.

FY 2026 BUDGET PROCESS AND TIMELINE

**Budget Process, Timeline, Revenue Presentation, Board Sets Education & Fiscal Priorities For the District in Accordance with their Strategic Plan**

*BP 3100 - BUDGET - The district budget shall be prepared annually from the best possible estimates of revenues and expenditures. The Superintendent or designee shall determine the manner in which the budget shall be prepared and shall schedule the budget adoption process in accordance with legal time requirements. A public hearing shall be held prior to the adoption of the budget or a revised budget.*

**FY 2026 1st Draft Budget presented to the Board at regular meeting**

January 14, 2025

**FY 2026 2nd Draft presented to the Board at regular meeting**

March 11, 2025

**FY 2026 3<sup>rd</sup> Draft/Final Budget presented to the Board at regular meeting**

April 8, 2025

**FY 2026 Budget Adoption at special session**

April 22, 2025

**Standard Operating Procedure (SOP) #30 - Credit Card Purchases**

SOP #30 - Credit Card Purchases - To ensure credit card purchases are made in a timely manner and to protect and maximize the value of public resources, educational and support programs by safeguarding public assets through internal controls and procedures. Please find the SOP attached for your review, reference, and comments.

***Thank you!***



# Nome Public Schools

**TO:** Nome Public Schools Board of Education  
**THRU:** Jamie Burgess, Superintendent  
**FROM:** Genevieve Hollins, Alaska Education & Business Services, Inc.  
**SUBJECT:** FY2025 Expenditures: 7/01/2024 through 10/31/2024  
 - All Except Special Revenue Programs -  
**DATE:** November 7, 2024

**REVENUES:**

	<u>Received</u>	<u>Current Budget</u>	<u>Amount Remaining</u>	<u>% Received</u>
State of Alaska - Foundation	\$ 2,953,848	\$ 9,085,980	\$ 6,132,132	32.51%
State of Alaska - One Time	-	400,000	400,000	0.00%
State of Alaska - TRS On Behalf <sup>1</sup>	-	808,112	808,112	0.00%
State of Alaska - PERS On Behalf <sup>1</sup>	-	55,117	55,117	0.00%
City of Nome	477,111	3,400,000	2,922,889	14.03%
Impact Aid - U.S. Government PL-874	-	100,000	100,000	0.00%
E-Rate	440,300	2,641,798	2,201,498	16.67%
Earnings on Investments	98,592	100,000	1,408	98.59%
Other (Fees/Gate/Rentals/Donations)	104,418	340,000	235,582	30.71%
Transfer In From Other Funds	600,000	600,000	-	100.00%
Decrease (Increase) of Fund Balance		252,783	252,783	0.00%
Pupil Transportation (Fund 205)	154,350	560,975	406,625	27.51%
Food Service (Fund 255)	70,048	847,000	776,952	8.27%
<b>TOTAL REVENUES</b>	<b>\$ 4,898,667</b>	<b>\$ 19,191,765</b>	<b>\$ 14,293,098</b>	<b>25.52%</b>

(Excluding Federal Special Revenue Programs)

**EXPENDITURES:**

	<u>Expended &amp; Encumbered</u>	<u>Current Budget</u>	<u>Amount Remaining</u>	<u>% Expended</u>
General Fund (100)	\$ 4,597,676	\$ 17,783,790	\$ 13,186,114	25.85%
Pupil Transportation (205) <sup>2</sup>	598,940	604,342	5,402	99.11%
Food Service Fund (255)	170,150	847,000	676,850	20.09%
<b>TOTAL EXPENDITURES AND ENCUMBRANCES</b>	<b>\$ 5,366,765</b>	<b>\$ 19,235,132</b>	<b>\$ 13,868,367</b>	<b>27.90%</b>

Percentage of Revenue Budget Recvd: 25.52%  
 Percentage of Budget Expended: 27.90%  
 Percentage of Year Passed: 33.70%

Days of Expenditures for this Fiscal Year: 123 Days

Remaining in Fiscal Year for Expenditures: 242 Days

Checking Account Book Balance as of October 31, 2024 - \$6,082,171  
 CDs Bank Balance as of October 31, 2024 - \$2,061,423  
 Northrim Checking Bank Balance as of October 31, 2024 - \$2,500



<sup>1</sup>PERS and TRS On-Behalf Revenues (and expenses) will be recorded at year-end after receipt of State's final On-Behalf report. This is only a book entry and no funds come through the District's bank account.

<sup>2</sup>All regular route costs are encumbered for the year. Budgeting to use ~ \$43,000 of Pupil Transp Fund Balance.

NOME PUBLIC SCHOOLS  
Nome, Alaska

**SOP No. 30**

**CREDIT CARD PURCHASING PROCEDURE**

1. **PURPOSE:** To ensure credit card purchases are made in a timely manner and to protect and maximize the value of public resources, educational and support programs by safeguarding public assets through internal controls and procedures.
  2. **AUTHORITY:** Board of Education, Superintendent or designee
  3. **RESPONSIBILITY:** Each cardholder is responsible for following this procedure. The Business Office is ultimately responsible to notify the Authority if the procedure is not followed.
  4. **GENERAL PROCEDURES:** The following procedures shall be followed in all instances for payments by credit card to vendors for goods and services. See also SOP No. 5 – Purchasing.
    - 1) The Superintendent may authorize the use of District credit cards by designated employees to facilitate payment of travel and other expenditures. Such use is intended to facilitate convenience for the cardholder as well as expedite access to goods or services on behalf of the District.
    - 2) The District’s Business Office is responsible at all times for managing the District’s credit card accounts and will track the assignment and distribution of all credit cards issued to the District. The Business Office will reconcile the expenditures of each cardholder on a monthly basis. In the event the cardholder fails to provide documentation regarding the purchase(s) to the Business Office, or any misuse is suspected, the Business Office shall immediately notify the Superintendent.
    - 3) A written record of all card use and its purpose shall be recorded.
    - 4) Any purchases made by credit card must occur only when there are sufficient budgeted funds in the applicable line item for which the expense is made.
- a. **TRAVEL USAGE**
- 1) Out of State, Board and Superintendent approved lodging;
  - 2) Gasoline purchases; and
  - 3) Emergency items related to the purpose of travel.

Any credits earned such as frequent flyer miles or other things of value received as a result of the use of the District’s credit card will be solely for the benefit of the District.

b. **SUPPLIES/MATERIALS/EMERGENCY USAGE**

- 1) For purchase of materials, supplies, or equipment when authorized by the Superintendent or Board of Education;

- 2) Emergency purchases for school-related items where there is insufficient time to follow regular procedures for purchase orders and checks.

c. DEFINITIONS

- 1) "Qualifying Expenses" means any indebtedness incurred documented with a receipt, credit card slip, and supporting documentation by an employee on behalf of the District, for the benefit of the District or for the purpose of advancing the interests of the District with the intention of having the charge paid by the District.
- 2) "Receipt" means a document issued by a vendor explaining expenses incurred by the District which has been paid with the credit card as an expense by an employee. A receipt must contain the following information:
  - a) Date expense incurred
  - b) Amount paid
  - c) Purpose of the expense including an itemized description of the goods or services purchased
  - d) Name, address and telephone number of the vendor
- 3) "Credit Card Slip" is the customer's copy of the credit card charge form. A credit card slip alone is not a receipt.
- 4) "Supporting Documentation" is an explanatory memorandum to the Business office containing an explanation of the reason for the expense.

d. ACCOUNTING/RECONCILIATION OF CREDIT CARDS

Whenever qualified expenses are incurred for the District and it is impractical to obtain a purchase order for payment, an employee may be authorized by the Superintendent or designee to use a District credit card to satisfy the vendor's invoice.

Employees must submit supporting documentation, corresponding receipts, and credit card slips to the Business Office by the end of the statement period. Failure to submit a timely claim may result in denial of the charge by the Authority and may subject the person who made the charge to personal liability for the amount of the charge. When the monthly statement is received, the Business Office will review and reconcile the charges with those approved by the Superintendent or designee.

For *telephone orders*, the vendor should be directed to include the following information on the shipping label and packing list:

- 1) Cardholder's name, school/department, and telephone number;
- 2) Complete delivery address;
- 3) The words "Credit Card Purchase";
- 4) The vendor's order number;
- 5) The cardholder shall document the transaction (order number) on a form and give the completed document to the accounts payable person.

For *fax orders*, a copy of the fax order form should be retained and submitted to the Accounting Technician with an indication, "Paid for by Credit Card" on the copy.

For *internet orders*, a credit card may only be used on secure websites.

All credit card and charge account invoices shall be reviewed and documented in the same manner as other invoices. Credit card/charge account balances must be paid within the allotted billing period so no late fees, limit fees, etc. are incurred.

Receipts for any purchases made to the District's charge card are to be filed with the Accounting Technician prior to the monthly statement being received in the Business Office. The total value of goods and services shall NOT exceed the established purchase limit and no additional fees are to be incurred by the District should the cardholder exceed the established limit. Purchases shall not be split into multiple transactions to stay within the purchase limit.

e. PURCHASE LIMITS

All cardholders will follow the approval procedures and limitations regarding purchases set forth below:

Purchases \$0 to credit limit – Cardholder must obtain approval of the Superintendent prior to purchase. Approval can be obtained via email outlining what the purchase is for, the amount, as well as the impact to the budget for that line item expense. Cardholder must submit a copy of the approval along with receipts when they submit their credit card statement to the Business Office for payment.

f. RESPONSIBILITY OF THE CARDHOLDER

Any cardholder authorized to use a District credit card is responsible for reading and complying with this policy at all times. The cardholder employee shall only use the credit card to make purchases consistent with board policy and authorization.

Cardholders are expressly prohibited from purchasing the following with the District's credit card:

1. Alcoholic beverages;
2. Illegal items;
3. Personal items or services;
4. Gifts or donations; and
5. Items or services that the cardholder is not authorized to purchase by board policy.

Use of a credit card by an employee is acceptance of the terms of this policy.

A District credit card is not a credit card for the personal use of the bearer. The credit card will be used only for school district purposes. An employee who uses a credit card and signs a credit card slip is responsible to the District for payment of that charge if the Superintendent or his designee determines that the charge was not properly authorized. In cases where a credit card charge is not authorized, the employee who made the charge will make arrangements for payment to the Accounts Payable office.

The cardholder must obtain receipts verifying each purchase (including vendor name and location, date and time of purchase, and items/services purchased) and provide such receipts to the business office or cardholder's supervisor by the end of the statement period. The cardholder shall be responsible to reimburse the District for any purchases not consistent with board policy or for which the cardholder has not provided the receipt, as well as any fees/charges associated with investigating the unauthorized purchase. The cardholder shall be responsible for the safeguarding of the credit card and the confidentiality of the information contained on and regarding the credit card while in the cardholder's possession and/or responsibility. The cardholder shall immediately (within 24 hours) report to the Business Office and cardholder's supervisor if the credit card is lost or stolen.

a. CONTROL OF CREDIT CARDS

All credit cards shall be applied for and issued in the name of the Nome Public Schools. The District maintains the right to keep possession and restrict access to any or all credit cards issued in the name of the District. The Board and/or Superintendent both have the right to cancel one or more of the credit cards or the account and/or order immediate collection of one or more of the credit cards. Cancellation or collection of credit cards may be made with or without prior notice.

- 1) An employee who resigns must surrender the credit card. If an authorized employee fails to surrender a credit card, the Business Office will take immediate steps to cancel the credit card.
- 2) All credit cards are subject to regulation by the School Board and the credit card company.
- 3) Credit cards may not be loaned to another individual.
- 4) The person to whom the credit card is issued is personally responsible for each charge made on the credit card. Criminal prosecution procedures may be initiated for misuse of credit cards.
- 5) In the event a credit card is lost or stolen, the employee shall notify the Superintendent or designee immediately. The Business Office shall notify the credit card company.
- 6) Credit cards will not be used for cash advances.

b. CORPORATE ACCOUNT MANAGER PROGRAM

The Accounting Technician will have access to an online account management program. In the online management program they will have the ability to submit card cancellations, view billing statements, review and change billing address, phone number, and indicative data, and request changes to cardholder spending guidelines.

The credit card shall be immediately returned to the Business Office or cardholder's supervisor upon request or upon termination of cardholder's employment relationship with the District. The cardholder shall not be authorized to give the credit card to anyone other than the relevant merchant as may be required.

REFERENCES:

BP 3300 – Expenditures/Expending Authority

BP 3310 – Purchasing Procedures

BP 3311 – Bids

BP 3314 – Payment for Goods and Services

BP 3315 – Relations with Vendors

ASLAM/DEED Records Retention Schedule: Click on "School Districts, #400.1"

<https://archives.alaska.gov/rims/>

OMB Guidance (Uniform Guidance), 2 CFR Title 2 Vol 1, Part 200.

<https://www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200/content-detail.html>

<https://www.gpo.gov/fdsys/pkg/CFR-2014-title2-vol1/pdf/CFR-2014-title2-vol1-part200.pdf>

REVISION DATE: 06/26/2019

EXHIBITS: None