

Ohio Valley Educational Cooperative
P.O. Box 1249 – 100 Alpine Drive
Shelbyville, KY 40066

Financial Procedures Manual

Effective Date: January 1996
Revised: June 1, 2026

Michelle Kersting
Chief Financial Officer
Phone: (502) 647-3533
Fax: (502) 647-3581

Ohio Valley Educational Cooperative
 Financial Procedures Manual
 Table of Contents

	Page
Introduction	1
Organization	1
Confidentiality of Information	1
Financial Management System Standards	2
Financial Reporting	3
Accounting System and Access Security	4
Property Management	4
Budgets	6
Cash Management	7
Grants and Contracts	8
Non-Federal Audits	9
Cash Depositories	9
Cash Receipts	10
Procurement Standards	11
Purchasing Procedures	16
Standard Invoice/Check Requests	16
Cash Disbursements	17
Payroll	18
Indirect Cost	21
Consultant and Contract Service	22
Corporate Credit Card	24
Travel Guidelines	25

Travel Vouchers	28
Contributions and Donations	29
Non-Federal Share and Matching	30
Federal Grant-related Income	31
Taxes	33
Telephone/Wireless Phones	34
Bonding and Insurance	34
Loans	35
Retention and Access Requirements for Records	35
Committees and Board Expenses	37
Close-out of Grants or Programs	37
Bank Reconciliations	37
Occupancy	38
Appendices	39
Creating Purchase Orders	Appendix A
Creating Check Requests/Standard Invoices	Appendix B
Training/Conference Travel Request	Appendix C
Travel Voucher Form Example	Appendix D
Overnight Travel Reimbursement Form	Appendix E

INTRODUCTION

This Financial Procedures Manual was prepared by the Chief Financial Officer in consultation with the Chief Executive Officer, Program Directors, Auditors, and Finance staff. The manual has been approved by the Chief Executive Officer.

The Chief Executive Officer is the only person authorized to amend, modify, or terminate any of the procedures contained in the manual. Accordingly, any violations of the procedures should be reported to the Chief Executive Officer.

ORGANIZATION

Ohio Valley Educational Cooperative (OVEC) receives membership dues from participating local school districts for the Cooperative's administration purposes and to provide programs and services in these local districts.

OVEC is also the recipient of federal, state, local, and foundation grants. Accordingly, OVEC is subject to statutory and regulatory requirements applicable to these grants.

The OVEC Board of Directors is the entity's overall governing authority. It is fundamentally a policy-making and oversight body. The Board defines policy and practice within the entity. Executing the Board's policy and plans is the function of the staff, under guidance and direction of the Chief Executive Officer. The Head Start Policy Council functions with the Board in overseeing the governance and operation of the Head Start program. Its specific responsibilities, prerogatives, and authority are set forth in federal regulations, "Head Start Transmittal Notice 70.2," which defines designated Head Start operational roles for parents, administrators, and the Board.

CONFIDENTIALITY OF INFORMATION

In accordance with OVEC policy, all Payroll/Human Resource records must be confidentially maintained. To that end, no personnel information should be released to or obtained from other agencies without signed, written consent from past or present employees. The only exceptions being the reporting of suspected child abuse/neglect.

In addition, all staff members working within the Payroll/Human Resources area of OVEC will sign a letter of confidentiality. This letter indicates that any breach of confidentiality could be considered grounds for disciplinary action and / or dismissal.

FINANCIAL MANAGEMENT SYSTEM STANDARDS

The Cooperative shall meet the following standards for all of its programs.

- A) Financial Reporting – Accurate, current, and complete disclosure of the financial results of each project or program shall be made in accordance with the financial reporting requirements of the grant.
- B) Accounting Records – Records which identify adequately the source and application of funds for grant or supported activities shall be maintained. These records shall contain information pertaining to grant awards, authorizations, obligations, unobligated balance assets, outlays, and income. All transactions will be posted in the accounting records in a consistent and timely manner. The automated computer accounting system (MIP Fund Accounting) identifies and segregates costs by program.
- C) Internal Control – Effective control and accountability shall be maintained for all grant cash, real and personal property. A clear separation of duties and responsibilities between individuals will be maintained so that no one person has access to all financial operations, procedures, and records. This separation of duties is an effective tool in the prevention and detection of fraud.
- D) Budgetary Control – The actual and budgeted amounts for each grant shall be compared. Budgetary controls are in place to assure that obligations incurred for a specific Federal program are allocable to that Federal program.
- E) Advance Payments – Cooperative procedures shall be established to minimize that time elapsing between the advance of Federal grant funds and their disbursement.
- F) Allowable Costs – 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements” shall be used for determining the reasonableness, allowability, and allocability of cost charged to federal grants.
- G) Source Documentation – Accounting records shall be supported by source documentation such as canceled checks, paid bills, payrolls, contracts etc. 2 CFR Part 200 or Title 45 CFR Part 74 should be used to determine the reasonableness of certain costs, bids, or quotes.
- H) Non-Federal Audits – The Cooperative shall comply with the requirements concerning Non-Federal Audits in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, specifically 2 CFR 200.500-507, “Audit Requirements,” including any amendments to those requirements published in the Federal Register by OMB.
- I) Audit Resolution – The Cooperative shall follow a systematic method to assure timely and appropriate resolution of audit findings and recommendations in accordance with the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, specifically 2 CFR 200.500-507, “Audit Requirements.”

FINANCIAL REPORTING

Internal Reporting

The Cooperative's accounting records are maintained on an automated computer system and fund accounting software which provides on-line financial information to the Chief Executive Officer and Chief Financial Officer. In addition, financial reports are distributed to each Program Director as a management aid in the administration of their programs and to assure that expenses are kept within the budget. These reports show a comparison of budget with actual expenditures for the period-to-date and year-to-date total. A consolidated financial report is submitted to the Board of Directors at each meeting. This report shows the total month-to-date expenditures and revenues for each program. Responsibility for preparing and reviewing financial reports are as follows:

The Chief Financial Officer is responsible for supervising the preparation of all financial reports including the computer-generated information and reports. The Chief Financial Officer will also supervise the preparation of all Federal SF-425 reports to assure that all reports correspond with the accounting records.

The Program Director is responsible for monitoring and reviewing all financial information including any financial reports which are either computer generated or manually prepared for their program. Discrepancies or questions are to be resolved through the Chief Financial Officer.

All financial reports which are to be distributed to the Board of Directors or to anyone outside the Cooperative must have the approval of the Chief Executive Officer, the Chief Financial Officer, or Program Director.

Reporting to Funding Sources

The Agency has a variety of funding sources, each unique and requiring a variety of reporting formats and reporting dates. To assure that all reports are timely submitted, the following procedures will be followed:

- A) The Chief Financial Officer is responsible for supervising the preparation of all financial reports required by funding sources. As part of the responsibility, the Chief Financial Officer will maintain a file for each funding source, which contains copies of all reports by program year.
- B) The Program Director will receive a copy of each financial report for review and will maintain a report file by year. Discrepancies or questions will be directed to the Chief Financial Officer.
- C) The Chief Executive Officer will receive a copy of each report. The Chief Financial Officer is the authorized official to approve and sign financial reports; in the absence of the Chief Financial Officer, the Chief Executive Officer or Program Director will approve and sign.

ACCOUNTING SYSTEM ACCESS AND SECURITY

The Cooperative's financial records are maintained in a secure, cloud-based accounting system that supports fund accounting and other required financial processes. Access to the accounting system and related financial platforms is controlled to ensure data integrity and compliance with internal controls.

Only the Chief Financial Officer (CFO) and designated Finance staff are authorized to enter, modify, process, or reconcile financial data. User access rights are assigned by the CFO based on job responsibilities and are reviewed regularly.

All system users must access the accounting software using individual, password-protected accounts. Passwords and security credentials must not be shared and will be updated periodically, and immediately upon personnel changes or when deemed necessary by the CFO or IT security protocols.

Unauthorized access to financial systems is strictly prohibited.

PROPERTY MANAGEMENT

OVEC Definition of "Property"

For the purposes of the Cooperative's Inventory Control and Record System, the following definitions/standards shall be employed:

Real Property – Real property means real estate, including land, land improvements, structures (buildings), and appurtenances (attachments, built-in accessories, etc.) thereto, excluding movable equipment.

All real property shall be properly secured by deed and maintained on a current inventory of Cooperative Real Property.

Personal Property – Personal property means cooperative property of any kind except real property. It may be tangible, that is, having a physical existence – or it may be intangible, that is without physical properties, and include such things as copyrights, trademarks, patents, inventions, or any other form of "intellectual property" created by staff or contractors while in the paid employ of the Cooperative.

Cooperative personal property is not usually maintained on a formal inventory, but such property still belongs to the agency.

Employee personal items- Personal items located in employees' offices or other cooperative premises are individual private property. These should be labeled by the respective owners to prevent later questions arising as to the true ownership of those items.

Non-expendable Personal Property – Non-expendable personal property means at a minimum

tangible personal (cooperative) property having an acquisition cost of \$5000 or more per unit and an expected useful life of one year or more or an acquisition cost of less than \$5000 but an expected useful life of five (5) years or more. The latter would include items such as desk, credenzas, chairs (office furniture only, not folding chairs, children's chairs, and so forth), file cabinets, fax machines, desk calculators, and other minor equipment.

Individual cooperative programs should have more restrictive definitions than that above as may be required by their respective grantor contracting agencies. Individual program directors must advise the Chief Financial Officer when a more restrictive than usual standard/definition of property is required by their respective grantor or contracting agency.

All non-expendable personal property – all program grantor property that meets the above definitions – must be maintained on the program Inventory of Non-Expendable Property.

Some programs, Head Start for example, may opt to maintain classroom/center-based/ local-operations property on a separate inventory. This is permissible so long as the inventory is monitored/verified regularly – at least every two (2) years – and properly recorded.

The Head Start inventory will be coordinated by the Head Start Director and performed in conjunction with their designee(s) responsible for Head Start's respective classroom/center-based/local-operation property inventory.

No items in the inventory of Program Non-Expendable Property may be moved from one location to another without first notifying the program director of its planned relocation. All appropriate paperwork must then be submitted to the program director so that the inventory can be updated.

Expendable Personal Property – Expendable personal property refers to all tangible (physical) property of the cooperative other than that which is required to be listed on the inventory of non-expendable property. It includes anything purchased by the agency – other than services, license fees, and such. All expendable personal property of the Cooperative is available for cooperative use only and may not in any event or extent be converted for private use.

Property Disposal Procedure – The Chief Executive Officer will advise the Board when certain properties are no longer needed for the Cooperative purposes. Upon receiving this report, the Board may, at such time as it deems proper and after compliance with applicable state regulation, authorize the disposal of properties through closed sealed bids or public auction. The Board reserves the right to reject any and all bids.

To prevent loss, damage or theft to property, the program property management system for non-expendable personal property includes the following procedural requirements:

- A) Property records for items having an acquisition cost of \$5,000 or more per unit shall be maintained accurately and shall include:
 - 1) A description of the property.
 - 2) Manufacturer's serial number, model number, federal stock number, national stock

number, or other identification number.

- 3) Source of the property.
- 4) Whether title vests in recipient of the Federal Government.
- 5) Acquisition date (or date received, if the property was furnished by the Federal Government) and cost.
- 6) Percentage (at the end of the Budget year) of Federal participation in the cost of the project or program for which the property was acquired.
- 7) Location, uses and condition of the property, and the date the information was reported.
- 8) Unit acquisition cost.
- 9) Ultimate disposition data, including date of disposal and sales price or the method used to determine fair market value when retained by OVEC.

Items having an acquisition cost of less than \$5000 per unit need only meet requirement 1, 5, 7, and 8.

- B) Property owned by the Federal Government must be marked to indicate Federal ownership.
- C) Any loss, damage, or theft of non-expendable personal property will be investigated and fully documented by the program director.

BUDGETS

A budget will be prepared for each program operated by the Cooperative at least annually. Development of the program budget will require the cooperative and active involvement of the Chief Executive Officer, the Chief Financial Officer, the Grant Writer, and the Program Director. The following procedures will be followed:

Authorization – OVEC programs are funded primarily by federal and state grants, which are awarded annually. Therefore, formal notification or permission to proceed with planning will be issued by the funding agency, together with a projected program funding level. This may be in the form of a letter of understanding or some similar document. Also, during the budget preparation process for Federal grants, there will be interaction with Federal staff as needed.

Budget Preparation – The Program Director is primarily responsible for the preparation of the program budget and grant proposal. Consequently, the program budget and grant proposals will be prepared by the Program Director in consultation with members of the program staff and other designated persons. Program budgets will be prepared by individual cost elements (e.g., salaries, supplies, etc.). The individual cost elements will be based on estimated units of cost using current rates. The Program Director as well as other staff responsible for preparing

the budgets will keep current with all applicable grant policies. This will require budget personnel to attend seminars and other training such as the Grants/Fiscal Management Seminars.

Financial Review – All budgets will be submitted to the Chief Financial Officer for review prior to being submitted to the funding agency. The Chief Financial Officer will at a minimum do the following:

- 1) Check the budgets for mathematical accuracy.
- 2) Ascertain whether the budget is in compliance with financial guidelines.
- 3) Ascertain whether the budget complies with applicable laws and regulations.
- 4) Recommend possible changes or improvements, based on personal observations, to the Program Director.

Administrative Review – All budgets must be submitted to the Chief Executive Officer for review and approval before they can be included in funding applications.

Board Approval – The Chief Executive Officer will at appropriate times submit proposals to the Board of Directors for consideration and approval. Proposals will include both budgets and work programs.

- Head Start Proposals – In the case of the Head Start program, the proposal will also be submitted to the Head Start Policy Council for consideration and approval.

Budget Amendments – All changes, or requested changes to budgets, must be submitted to the Chief Financial Officer. Requests for change which require prior grantor Agency approval will be submitted by the Program Director to the appropriate Federal grants officer or other authorized official prior to making such changes.

Recordkeeping – The Chief Financial Officer will ensure that budgets, which have been properly approved by funding sources, are on file for all grants and contracts.

CASH MANAGEMENT

The standard for effective cash management which is discussed in 45 CFR 74.61 (e) states that procedures must be established to minimize the time elapsing between the advance of grant or funds and their disbursement by the recipient. The Cooperative's cash management procedures are as follows:

The Chief Financial Officer is responsible for monitoring the request of funds for all federal sponsored programs. The following procedures will be followed:

Under Advances by Treasury Check – Under this method, a cash advance will be requested monthly based upon cash needs of the program. The Chief Financial Officer in coordination with the Program Director will monitor drawdowns vs. disbursements, and will request adjustments in the schedule of advances, as appropriate.

Under Payment Management System (PMS) – Under this method, cash advance will be requested one or two days in advance of the program's cash needs. The cash advance will be requested from PMS by internet access. The Chief Financial Officer in coordination with the Program Director and Finance staff will request all drawdowns. The Chief Financial Officer will make sure that the Federal funds are fully disbursed by the close of business the next workday after they are received, and immediately return all undisbursed Federal funds to PMS.

GRANTS AND CONTRACTS

The Board of Directors shall approve all grants and proposals submitted to granting agencies. The Chief Executive Officer is the authorized official to sign grant requests, contracts, grants, amendments, or other related documents, unless the Chairman of the Board is directly specified by the respective grantor/contractor.

All grants, contracts, and amendments awarded to the Cooperative for the operation of programs will be processed in accordance with the following procedures:

- A) All grants, contracts, and amendments will immediately upon receipt be forwarded to the Chief Executive Officer to review the grant, contract, or amendment and, if acceptable, will distribute copies to the Program Director and Chief Financial Officer.
- B) The Chief Financial Officer will review the grant, contract, or amendment thereto and will report any possible errors or observations to the Chief Executive Officer. If the award is acceptable, the Chief Financial Officer will do the following:
 - 1) Maintain a file for each grant or contract which will contain all awards, amendments, budgets, and special conditions.
 - 2) Record budget or update budget in the Accounting system.
 - 3) Initiate a request for funds if appropriate or, if cost-reimbursement program, arrange for an advance of funds from the unrestricted fund.
- C) The Program Director will review the grant, contract or amendment thereto and report any possible errors or observations to the Chief Executive Officer. If the award is acceptable, the following procedures will be followed:
 - 1) The Program Director will take steps to implement the program in accordance with the terms of the grant or contract.
 - 2) The Program Director will coordinate with the Chief Financial Officer concerning budgeting, reporting, and monitoring of the program.
- D) A contract award must not be made to parties listed on the governmentwide exclusions in the System Award Management (SAM). SAM exclusions contain the names or parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared

ineligible under statutory or regulatory authority other than Executive Order 12549. The “Excluded Parties List” can be found at www.sam.gov. When applicable, additional requirements from Appendix II to 2 CFR Part 200, “Contract Provisions for Non-Federal Entity Contracts Under Federal Awards” must be included in contracts funded by federal grant programs.

NON-FEDERAL AUDITS

The Agency shall have an annual audit made in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, specifically 2 CFR 200.500-507, “Audit Requirements.” The audit will be for the fiscal year ended June 30; the Cooperative’s adopted fiscal year. The cognizant federal agencies for monitoring audits and ensuring the resolution of audit findings are the U.S. Department of Health and Human Services and the U.S. Department of Education.

The following procedures will be followed by the Cooperative for all non-federal audits:

- A) A letter of engagement between the organization and the auditor shall be prepared which contains an understanding of the work that needs to be performed to satisfy the Cooperative’s obligations under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, specifically 2 CFR 200.500-507, “Audit Requirements.” The letter shall provide an understanding of the terms, nature, and limitations of the engagements. The letter shall include the reporting, objectives, and responsibilities assumed by the auditors. Agency responsibilities, such as the requirements for a client representation letter, will also be included.
- B) The Chief Financial Officer is responsible for scheduling the audit fieldwork, providing records and financial information, coordination with program directors and finance personnel for any needed information, and answering all questions related to the financial audit.
- C) The Program Director in coordination with the Chief Financial Officer is responsible for providing information and answering all questions in connection with the audit that are related to compliance with laws and regulations as it relates to their program.
- D) The Chief Executive Officer in coordination with the Program Director and Chief Financial Officer is responsible for the resolution of any audit findings or questioned costs. These findings will be resolved within six (6) months after the receipt of the audit report.

CASH DEPOSITORIES

The following sets forth the Cooperative’s policy and procedures regarding the use of banks and other institutions as depositories of funds:

Depositories will be selected on a competitive basis and will be reviewed periodically as deemed necessary by the Chief Executive Officer.

- A) All funds of the Board will be deposited in local banks. Such banks will be accessible, capable of handling investment funds, and be able to provide those services needed by the Board in the operation of the Cooperative.
- B) Depositories must have Federal Deposit Insurance Corporation (FDIC) insurance coverage, and any balance exceeding the FDIC insurance must be collaterally secured.

CASH RECEIPTS

The Cooperative has the following procedures to assure that all cash receipts are deposited promptly and recorded accurately as to account, amount, and period.

- A) Incoming Mail – The mail is sorted and routed to the various programs and departments in individual compartments in the file cabinet for mail and inter-office documents.
 - 1) All cash, checks, and other forms of legal tender are forwarded to the Executive Assistant.
 - 2) Payroll information, Workman’s Compensation, and Unemployment information are forwarded to Human Resources staff.
 - 3) Vendor statements, utility bills, telephone bills, etc. are forwarded to Finance staff.
 - 4) Personnel information, resumes, employment applications, changes of name/address, employment verification are forwarded to Human Resources.
 - 5) Bank statements are forwarded to the Chief Financial Officer.
- B) Recording – The Executive Assistant will receive all cash, checks, and other forms of legal tender received by the Cooperative. The following procedures are followed:
 - 1) Executive Assistant records all receipts into a deposit log.
 - 2) Executive Assistant stamps all checks with a restricted endorsement as follows, “For Deposit Only to the account of Ohio Valley Educational Cooperative.”
 - 3) Executive Assistant forwards deposit log, cash, and checks to the Chief Executive Officer. The Chief Executive Officer gives checks and cash to the Chief Financial Officer.
 - 4) Chief Financial Officer completes a deposit slip and makes deposit. The Chief Financial Officer gives a copy of the deposit ticket and the bank deposit verification to the Executive Assistant for comparison to the log. The Executive Assistant maintains the records in a file.
 - 5) Chief Financial Officer, or other designated member of the Finance team, enters

cash receipts into the computer system's cash receipts program as deposited.

- 6) Documentation for all receipts is filed along with the duplicate deposit slip and the validated bank receipt. Documentation will be attached to the transaction in the accounting software, as well as saved on the share drive.

PROCUREMENT STANDARDS

The Chief Executive Officer is responsible for administration of the procurement function. Any delegation of purchasing authority shall be made by the Chief Executive Officer. The Chief Executive Officer will establish procedures in accordance with KRS 424.260, state regulations, OVEC Purchasing Procedures, and accepted business principles, to control the purchase of items by employees.

A) Responsibility and Delegation of Authority

The Chief Executive Officer may delegate to a chief purchasing officer and to other such authority as may be appropriate and necessary for the proper performance of the procurement function.

- 1) Any delegations of purchasing authority shall be in writing and shall be included in policies and procedures issued pursuant to these regulations.
- 2) Designated employees may be authorized in writing by the Chief Executive Officer to make expenditures in cases of emergency in accordance with approved procedures for subsequent approval by the Board of Directors.
- 3) The Chief Executive Officer shall ensure that every procurement by an employee of the Ohio Valley Educational Cooperative engaged in or responsible for the performance of any procurement activity or function and constituting a final procurement action shall be made in writing.

The Chief Executive Officer shall maintain records of all small purchase contracts and competitive sealed bidding results.

No contract shall be awarded for an amount which exceeds the sum budgeted and appropriated for the procurement by the Cooperative.

The Chief Executive Officer shall establish procedures to verify the receipt of goods purchased by the Cooperative.

B) State Bid Purchasing

The Chief Executive Officer may purchase supplies and equipment from the State bid price contracts. The Chief Executive Officer shall include the State bid price contract number on all purchase orders or invoices used to purchase from the State price contract.

C) Cooperative Purchasing

- 1) The Board of Directors may authorize the Chief Executive Officer to enter into an

agreement, subject to Board ratification, for cooperative purchasing with another public agency.

- 2) When the Cooperative contracts with another agency for supplies, services, or construction pursuant to State laws, all other parties to the agreement shall be deemed to have complied with the promises of these laws.

D) Small Purchase Procedures

- 1) Small purchases are hereby authorized for the procurement of necessary supplies, services, or construction, the cost and quality of which are such that any possible savings of public funds realized through the practice of other procurement procedures would not justify the administrative time and expense necessary for the conduct of competitive sealed bidding.
- 2) Small purchases for construction services costing \$10,000 or less and \$1,000 or less for other purchases may be made from any available source of supply without obtaining quotations. Small purchases in excess of the above limits but less than \$30,000 may be made only after informally obtaining three or more price quotations from responsible sources. Each determination shall be based on written findings that support the determination and shall be signed by the employee making the determination.
- 3) Required purchases shall not be fragmented or artificially divided to avoid use of other source selection methods. Categories of supplies, services, or construction reasonably anticipated to be required during a fiscal year shall be considered to be one procurement for the purpose of small purchase procedures. The contract may be for any period of time that will provide the most beneficial market price to the Cooperative, provided the time period does not avoid the requirements of competitive sealed bidding. In determining whether supplies, services, or construction is normally supplied as a unit, the test is not such supplies, services, or construction are furnished by a particular vendor, but rather whether supplies, services, or construction are closely related in their function and use.

E) Competitive Sealed Bidding Procedures

The Chief Executive Officer shall develop evaluative bid procedures that permit the Board of Directors to select the bid that is in the best interest of the Cooperative.

The Ohio Valley Educational Cooperative shall advertise and bid that which involves an expenditure of more than \$30,000 or such other amounts as may be prescribed by statute or regulation during the fiscal year provided that this requirement shall not apply for purchases described in section F. Non-Competitive Negotiation Purchases. The Cooperative may also bid items of lesser amounts where items are categorical and a savings can be made.

If durability of the product, the quality of service, or other factors are to be considered in bid selection, such factors shall be stated in the bid documents.

Notice for bidding shall state the time and place for receiving and opening of bids, the time and place where specifications may be obtained, and shall be mailed or emailed to

all potential bidders, and at a minimum, advertised on the website not less than seven (7) days before the date set for the bid opening.

Bids may be submitted electronically when permitted, otherwise in writing, typewritten, or in ink and sealed; opened and read publicly by the Chief Executive Officer or Bid Coordinator.

No bids may be changed after they are once submitted. This guideline in no way prevents the acceptance or rejection of alternates, which are specified as a part of the regular bid forms and specification.

The contract for the successful bidder shall be deemed as having been awarded when the Board of Directors has taken action at a regular or special meeting. The awarded shall receive formal notice of the awarding on the contract by the Bid Coordinator.

In the event the lowest bid is not accepted, the Board of Directors shall record in the minutes the reason for the rejection.

All bids submitted shall be recorded in the official minutes.

Notification of the awarding of the contract shall be given in writing to all bidders. The notice shall include a list of all bidders together with their bids.

Any bid, which is accepted in non-compliance with any of the above items, shall be considered null and void.

F) Non-Competitive Negotiation Purchases

- 1) The non-competitive negotiated process may be used instead of advertisement for bids when a written determination is made by the Chief Executive Officer showing that competition is not feasible in the following circumstances:
 - a) When an emergency exists that will cause public harm as a result of the delay in competitive procedures.
 - b) When there is a single source of the product or service to be procured.
 - c) When the contract is for services of a licensed professional. A professional service is one performed by a licensed professional and an activity for which a license is required.
 - d) When the contract is for the purchase of perishable items purchased on a weekly or more frequent basis, such as fresh fruits, vegetables, or fish.

The Board of Directors, upon the Chief Executive Officer's recommendation, shall approve all noncompetitive purchases exceeding \$30,000 except in a case that the Chief Executive Officer may declare an emergency in which a delay in making the non-competitive purchase will result in danger to health, safety, or property and submit determination to the Board of Directors at the next regular meeting.

- 2) Items for resale are authorized to be purchased by noncompetitive negotiation.

G) Competitive Negotiated Purchase Procedures

- 1) Competitive negotiated purchasing is authorized for the procurement of necessary supplies and services under the following conditions:

Bids must have been received and opened.

There are not sufficient budgeted funds to award the contract.

When the best interest of the Cooperative will not permit the delay caused by resolicitation under revised specifications and quantities.

- 2) Procedures for competitive negotiated purchases shall be established by the Chief Executive Officer and shall be in compliance with State statutes and regulations governing purchasing procedures by public agencies.

H) Maximum Free and Open Competition - It is the clear intention of the Ohio Valley Educational Cooperative to foster all procurement transactions in a manner to provide, to the maximum extent practicable, open and free competition. (20 U.S.C. 1221e--3(a)(1) and 3474, —2CFR 200.319, OVEC Policy)

- 1) OVEC shall make positive efforts toward procuring and utilizing small business and minority-owned business sources of supplies and services. All such efforts shall be made to allow these sources the maximum feasible opportunity to compete for contracts with OVEC.
- 2) All procurement procedures developed and implemented by OVEC shall assure that unnecessary or duplicative items are not purchased. Where appropriate, considerations of lease and purchase alternatives will be made to determine which would be the most economical and practical procurement.
- 3) All OVEC bids and solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features that unduly restrict competition. Brand name or equal clause may be used as a means to define the performance of other salient requirements of procurement, and when so used the specific features of the named brand that must be met by bidders/offerors are clearly specified.
- 4) OVEC shall use procuring instruments such as fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts, where appropriate and or required by state law and which promotes the best interest of OVEC and its programs and services. OVEC shall not use a "cost-plus-a-percentage-of-cost" method of contracting.
- 5) Contracts will be entered into by OVEC with only responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be made by OVEC for such matters as a contractor's integrity, record of past performance, financial and technical resources or accessibility to other necessary resources. OVEC may be required by federal grants to seek prior approval by the granting agency for purchases of an aggregate amount of

\$5,000 or more in the event of receiving only one bid or proposal.

- 6) OVEC shall follow the principles of cost analysis in the review and evaluation of proposals or bids to determine if the offeror meets the requirements of reasonableness, allocability, and allowability.
 - 7) OVEC shall for all purchases that exceed \$30,000 maintain procurement files that include the basis for contractor selection; justification for lack of competition when competitive bids or offers were not obtained; basis for award cost or price; and a system for contract administration so as to ensure contractor conformance with the terms, conditions, and specifications of the contract, and to ensure adequate and timely follow-up of all purchases.
 - 8) OVEC shall follow all laws of the Commonwealth of Kentucky requiring bidding of goods or services in excess of \$30,000.
- l) Conflict of Interest - The following conduct will be expected of all persons who are engaged in the award and administration of contracts supported by School Food Service Program Funds.
- 1) No employee, officer, or agent of OVEC shall participate in selection or in the award or administration of a contract supported by Program funds if a conflict of interest, real or apparent, would be involved. Conflicts of interest arise when one of the following has a financial or other interest in the firm selected for the award:
 - a) OVEC employee, officer, or agent;
 - b) Any member of their immediate family;
 - c) Their partner;
 - d) An organization that employs or is about to employ one of the above.
 - 2) OVEC employees, officers, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub agreements.
 - 3) The purchase during the work day of any food or service from a contractor for individual use is prohibited.
 - 4) The removal of any food, supplies, equipment, or OVEC property is prohibited.

The outside sale of such items as used oil, empty cans, and the like will be sold by contract between the OVEC and the outside agency. Individual sales by any OVEC employee to an outside agency or other person is prohibited. Failure of any employee to abide by the above-stated code may result in disciplinary action, including but not limited to, a fine, suspension, or dismissal.

PURCHASING PROCEDURES

For the procurement of equipment, merchandise, or services the following documents and procedures will be used for all Cooperative purchases.

- A) Purchase Orders (See Appendix A): A purchase order for goods and services must be completed for all purchases. The purchase order is a document used by Cooperative employees for the purchase of goods and services.
- 1) The purchase order will be completed using an online software and e-signed by the person making the request. The purchase order is then forwarded to the Project Director for approval. After the Project Director has approved, the Accounting Coordinator will check the purchase order to ensure policies and procedures for purchasing are being followed. The purchase order will then be forwarded for approval by the Chief Financial Officer, then, for orders exceeding \$1,000 to the Chief Executive Officer for signature, and finally sent to Finance staff for the purchase order to be transferred into the accounting software.
 - 2) A copy of the purchase order will be sent to the vendor.
 - 3) The Program will keep a copy of the purchase order until such time as the goods or services are received along with an original copy of the invoice.
- B) Receiving- The purchase order will be used to document that the goods and services have been received. When goods or services are received, the Program Staff will upload the packing slip or a confirmation of receipt to the online software.

Review – The purchaser or program is responsible for ensuring the receipt of ordered items and completion of services. After the goods or services have been received, the packing list along with the original invoice should be uploaded to the Purchase Order in Microix.

STANDARD INVOICE/CHECK REQUEST

The Cooperative uses a standard invoice system for the payment of utilities, payroll and insurance bills, travel reimbursement, contracts, subscriptions, and other instances where a vendor invoice is unavailable. The standard invoice system requires a Standard Invoice/Check Request be prepared in Microix for every payment not purchased using a Purchase Order (see Appendix B).

Any purchase other than those listed above must be made using the purchase order system, unless a vendor cannot be found who will accept Purchase Orders.

To make a payment, it is necessary to complete a standard invoice giving the facts about the amount to be paid and showing proper coding of the expense. The standard invoice/check request will be entered in Microix. The request is then forwarded to the Project Director for approval. After the Project Director has approved, the Accounting Coordinator will review to ensure policies and procedures for purchasing are being followed. The check request will then

be forwarded for approval by the Chief Financial Officer, then, for orders exceeding \$1,000 to the Chief Executive Officer for signature, and finally sent to Finance staff for the check request to be transferred into the accounting software.

There will be no personal reimbursement for purchases other than monthly travel expenses and phone expenses. Any exceptions must have prior written approval by the Chief Financial Officer. The payment of standard invoices will be in accordance with the Cooperative's regular cash disbursement procedures. The Chief Financial Officer is responsible for designating which expenses will use the standard invoice for payments and which special situations warrant the use of the standard invoice versus Purchase Order.

CASH DISBURSEMENTS

The Accounting Coordinators are responsible for the preparation of checks for payment of all invoices and related payables for goods and services. The process of check preparation, which is primarily computer generated, involves the records of expenses to the various programs and operated by the Cooperative. The following procedures shall be followed:

- A) Vendor invoices, utility bills, telephone bills, contracts, leases, etc. along with completed purchase orders should be forwarded to Finance staff. The Accounting Coordinators will prepare bills as follows:
 - 1) Utilities, telephone, payroll withholding etc. will be prepared using a Standard Invoice/Check Request and will be processed for payment on the next payables run (check preparation).
 - 2) Vendor invoices, travel, check requests, etc. submitted and received by Finance staff will be paid weekly. Final monthly payments will be made on the last Wednesday or the day of the monthly board meeting (whichever comes first).
 - 3) Leases, etc. which are paid monthly will be prepared for payment as provided by the lease terms.
- B) The Accounting Coordinators or designated Finance staff will verify that all bills are properly supported by documentation, properly approved, and properly coded by the Program Directors or designated persons. Bills not properly supported in accordance with the above will be sent back to the Program Directors. Bills properly supported will be entered into the computer for payment.
- C) The Accounting Coordinators or Finance staff enter bills into the computer from appropriate documents.

Computer checks are generally written once a month on the third Wednesday of each month. Checks are printed by the computer and this process involves the posting of the expenses to the various programs and accounts. Consequently, various edits will be performed prior to the printing of the checks and the posting of the expenses.

The Cooperative authorizes the Chief Financial Officer to issue checks on the depository bank for all legal claims under the following conditions:

- A) Following approval of the Orders of Treasurer (check register) by the Board at a regular or special meeting of the Board.
- B) The Board shall give subsequent approval for all disbursements made between Board meetings in accordance with this policy.

Check Signing – The following procedures apply to all check signing:

- A) Check Signers for Accounts Payable checks will consist of:
 - 1) The Chief Executive Officer and Chief Financial Officer. Checks are also signed using check-signing software.
 - 2) Check numbers of all signed checks are recorded sequentially in a log controlled by the Chief Financial Officer.
- B) Signing blank checks is forbidden.
- C) Blank check stock will be locked in the Finance Department office to prevent unauthorized use.
- D) Custody of checks after signature and before mailing will be controlled by the Chief Financial Officer who will supervise the mailing.
- E) Copies of the vendor’s invoice, purchase order, and check request are maintained using online software.

PAYROLL

The Cooperative’s “Employee Handbook” contains the procedures and authority for all employee actions. These policies provide that the Chief Executive Officer is the authorized person for executing and signing personnel actions. The following procedures apply to all personnel actions:

- A) For new employees, a “Recommendation for Employment” form is completed and signed by the Program Director, Chief Financial Officer , Chief Human Resource Officer & Chief Executive Officer. Once completed the form is sent to Human Resources for processing. The following actions will then be completed:
 - 1) The Human Resource Coordinator will prepare an Employee Personnel File with the necessary paperwork for orientation. The Human Resource Coordinator will also prepare a contract or agreement following the constraints of the Recommendation for Employment.

- 2) The Human Resource Coordinator will file the original "Recommendation for Employment" form along with necessary background checks in the employee's personnel file and maintain the files electronically.
- B) Once a "Recommendation for Employment" form is signed and completed the Human Resource Coordinator will contact the candidate to make a formal offer and then schedule an orientation date.

The following personnel actions will be managed in the same manner :

- Payroll Status Change Forms (Contract Adjustment Form)
 - Notice of Termination Letter
- C) The Human Resource Coordinators are responsible for conducting new employee orientation. As part of the orientation, the Human Resource Coordinator will obtain the following which are kept in the employee's personnel file:

- Corporal Punishment Form (Head Start only)
- Drug Free Form
- Criminal Records Check Releases
- OVEC Personnel Handbook Acknowledgement Form
- Kentucky Department for Employment Service – Form UI-414A
- W-4
- K-4
- I9 Documents

Employee Background file:

- Criminal Records
- Check Releases

Employee Medical files:

- Health Insurance Application
- Elective Benefits

- D) The Human Resource Coordinator will use information contained in the employee's personnel file to set-up employee information in the computer's payroll system. I-9 verification paperwork is stored in the HRIS system for record-keeping purposes. Data entry for new employees and payroll changes for existing employees is calculated and entered into the system.
- E) The "Verification of Experience Form" is sent to employees once an offer has been accepted and is also made available in the onboarding documents to begin the verification process.

The new hire will send the form to the last employer(s). All completed Verification of Experience Forms, along with the required attachments such as the job description, must be submitted to the Human Resources office within two (2) months from the team members' start

date. Submissions should be faxed or sent directly via email from the former employer. Any information received after this two-month period will not be considered for compensation calculation purposes.

Previous work experience will be acknowledged if the responsibilities closely align with those outlined in the OVEC job description. Submissions will undergo review by the Human Resources department to assess the similarity of duties. Recommendations regarding the recognition of experience for compensation will be forwarded to the Chief Human Resources Officer for final review and will be approved by the Chief Executive Officer.

Certain positions may necessitate additional evaluation to support the recognition of experience based on the similarity of duties.

OVEC reserves the right to consider additional documentation when a statement from a former employer is not available. Acceptable documentation may include W-2 Wage and Tax Statements, pay stubs from the period of employment, or other written documentation approved by the Chief Executive Officer.

Experience will be awarded in full years, corresponding to steps/years on the salary schedule for the position. A year's experience will be granted if the employee has worked 75% or more of the number of days in their last full-time position. Experience in part-time positions may be counted in half-year increments at the discretion of the Chief Human Resources Officer and will be approved by the Chief Executive Officer.

Compensation will initially be calculated based on zero (0) years of experience until all experience verifications have been reviewed by the Human Resources staff before the employee's start date but no later than within the first two (2) months of employment. After the start of employment, any compensation adjustments resulting from verified experience will be retroactive to the start date.

New hires, previously employed by OVEC, who had resigned from OVEC or been terminated by OVEC due to the end of a grant, may be allowed to count all years of experience at OVEC if they return within six (6) months.

Transfers - A current OVEC employee may be granted prior experience for compensation purposes if reassigned or transferred to another position within OVEC. Compensation will be determined based on how the employee's previous experience aligns with the requirements of the new role. If the experience is deemed applicable, it will be considered in setting compensation; if no relevant experience applies, the employee will be placed at the appropriate step for the new position.

Pay Dates - Employees of the Cooperative will receive their wages twice a month. For new employees not yet enrolled in direct deposit, payroll checks will be issued on the 15th and the last day of the month. If these dates fall on a weekend, payment will be issued on the preceding Friday. In the case of a holiday, payment will be issued on the preceding working day. The Cooperative's payroll procedures shall adhere to these guidelines.

Timecards or Calendars –All employees of the Cooperative are required to submit time cards and calendars indicating hours or days worked. These documents must be approved by the supervisor and correctly dated. The following guidelines govern the handling of time cards:

- A) Employees are responsible for submitting an accurately completed timecard to their supervisor.
- B) The Program Director or Supervisor is responsible for the correctness of the timecards of their staff. Accordingly, timecards are reviewed by the Program Director or Supervisor and each time card is approved in the payroll system, indicating that the review has been performed.
- C) The Executive Assistant and OVEC time administrator must collect employee timecards within five working days from the end of the pay period to record time and attendance. The time administrator will conduct a final review of the time before locking it for payroll purposes.

Amendment to Timecard Collection and Recording Policy - December: Effective for the month of December, the deadline for collecting employee timecards will be shortened to three (3) working days following the end of the pay period. All other provisions of the original policy remain in effect. This temporary adjustment is intended to facilitate timely payroll processing during the holiday season.

Payroll Checks/Direct Deposits and Register –Before processing payroll checks, direct deposits, and various payroll registers, edits will be conducted to ensure the accuracy of the data and to rectify any errors. The procedures for payroll checks and direct deposits are as follows:

- A) Payroll check stubs are available for viewing through the employee’s account.
- B) The hours recorded on time sheets are compared with those on the stubs for accuracy. These documents are organized by pay date within the Payroll and Human Resources Information system (HRIS).
- C) An electronic direct deposit file is generated and sent to the bank representative two days before payday, ensuring that employees' accounts are credited on the designated payday.
- D) Payroll files are saved on the shared drive for record-keeping purposes.

INDIRECT COST

- A) The Cooperative has had an approved Indirect Cost Rate Agreement since 1991, which is negotiated every two years. The following procedures will be followed relative to indirect costs. Indirect Cost Proposal – Within six (6) months after the close of the fiscal year, the Cooperative shall submit a new Indirect Cost Proposal covering the new fiscal year to the cognizant federal agency. The following procedures will be followed:
 - 1) Audited financial statements will be used to prepare the Indirect Cost Proposal.
 - 2) The Chief Executive Officer is responsible for the preparation of the Indirect Cost Proposal. As part of this process, the Chief Financial Officer will provide assistance.
 - 3) The Chief Executive Officer will approve the Indirect Cost Proposal and sign the

certification related to lobbying activities. The Chief Executive Officer is the authorized person to negotiate an indirect cost rate with the cognizant federal agency.

- B) Indirect Costs – The Indirect Cost Rate Agreement identifies the salaries and expenses that are to be treated as indirect cost. These expenses (administrative costs) will be accounted for in a separate fund. In lieu of charging administrative cost direct to the various programs, the following procedures will be followed:

Monthly, the Chief Financial Officer will charge the various programs through the process of multiplying the indirect cost rate by the allowable direct cost (Direct Salaries and Wages).

The Chief Financial Officer will follow the additional procedures relative to programs sponsored by the federal funds.

- 1) Monitor the administrative requirements to assure that administrative costs do not exceed the negotiated allowable rate and, if applicable, any other limitations, such as Head Start's 15% limitation of costs of development and administration.
- 2) Monitor the budget to assure that funds are available for payment of the administrative costs.

CONSULTANT AND CONTRACT SERVICE

The Cooperative shall use formal contracts for all projects involving professional or technical services. The Chief Executive Officer must approve all professional and technical service.

Selection – Note: By law, a worker may be determined to be an employee even if he has willingly entered into a contract to work as an independent contractor. To be considered a contract employee, the individual must provide a service outside the normal realm of responsibility and the individual is not under direct control of the employer. Therefore, the following must be considered before contracting for professional or technical service:

- 1) Can in-house staff from any program provide the service?
- 2) Will this be a consultant position or an OVEC employee? To make this determination, the following must be answered:
 - a) Is the individual self-employed and do they offer services to the public?
 - b) Is the service provided in the normal line of business for the client for whom the service is provided?
 - c) Does the individual possess a special skill or ability?

- d) Are the services being provided for a limited time (a single job)? Is the individual being paid for by the job rather than by the hour?
- 3) Is the cost provided for in the program budget, and if applicable, an allowable program expense?
- 4) The qualifications of the consultant and the reasonableness of the fee.

Payment – Consultant services will be paid following cash disbursements guidelines and as specified in the contract.

Requirements of Contractors Doing Business with the Cooperative

Any contract between OVEC and a business or individual that calls for supplying OVEC with goods or services shall be governed in all respects as to validity, construction, capacity, performance, or otherwise by the laws of the Commonwealth of Kentucky.

All contractors providing goods or services to OVEC will assure OVEC they are conforming to the provisions of the Civil Rights Act of 1964 as amended. Further, contractors shall comply with the Executive Order 11246, entitled, "Equal Employment Opportunity," as amended by Labor regulations (41 CFR Part 60); the Copeland Act (18 U.S.C. 784 as supplemented in the Department of Labor regulation (29 CFR part 3).

Contractors shall comply with all applicable federal, state, and local laws and regulations pertaining to wages, hours, and conditions of employment. Included in this provision is the compliance of contractors with the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et. Seq. And all applicable sections of the act of the Department of Labor's supplemental regulations (29 CFR parts 5 and 1926).

In connection with the contractor's performance of work under any contract of bid award offered by OVEC, the contractor(s) shall agree not to discriminate against any employee(s) or applicant(s) for employment because of race, age, religious creed, sex, national origin, or handicap.

Finally, contractors holding contracts from OVEC in excess of \$100,000 shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C.) 187 [h], and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et. Seq.); and, Executive Order 11738 and Environmental Protection Agency (EPA) regulations (40 CFR Part 15), which prohibits the use of non-exempt federal contracts, grants, or loans of facilities included in the EPA list of violated facilities.

Contracts with OVEC shall include the provision granting OVEC employees the right to access the contractor's records.

CORPORATE CREDIT CARD

Corporate Credit Card Purchases

Purpose:

OVEC utilizes a virtual credit card platform to facilitate controlled purchasing when a traditional purchase order or check payment is not practical or timely. The use of the virtual Corporate Card Program (Card) helps ensure flexibility while maintaining proper approval and documentation procedures.

Policy and Procedures:

The Card is used for purchases where a purchase order (PO) or check cannot reasonably be used. Prior to obtaining a Card for a purchase, the requester must create a purchase order to Card vendor for the full amount of the anticipated expense. The purchase order must follow the standard approval workflow.

Once the purchase order is approved, the requester may submit a request to the Card program for the same purchase. The Accounts Payable or Finance designee will verify that the Card request matches the approved purchase order before approving the request.

After the Card statement becomes available, the Finance Department records the transactions in MIP, ensuring that each purchase is reconciled to the corresponding approved purchase order and supporting documentation.

Responsibilities:

- Cardholders are responsible for ensuring Card purchases are preapproved, for uploading itemized receipts, and for maintaining compliance with all purchasing and reimbursement policies.
- Supervisors are responsible for reviewing and approving Card requests in accordance with funding and procurement guidelines.
- The Finance Department is responsible for verifying requests against approved POs, recording Card transactions in MIP, and ensuring all documentation is complete for audit purposes.

Notification

The Chief Financial Officer shall notify the Board of Directors of all requests for payment of credit card charges and the purpose(s) of the expenses when said expenses appear on the Orders of Treasurer.

Abuse of Credit Card(s)

The Chief Executive Officer shall hold any staff member accountable for all expenses incurred from the unauthorized use of the Cooperative's Credit Card or gasoline card(s), including any

interest or penalties charged by the credit card company. Any employee using the credit card(s) for purposes other than those authorized by this procedure shall be accountable by the Chief Executive Officer for all expenses incurred from the use of the credit card. Additionally, the Chief Executive Officer shall take appropriate disciplinary action as necessary and authorized by the policies of the Cooperative. Use of the gasoline credit card for purchases of gasoline or other products and services for private vehicles shall be considered an abuse of the credit card privilege.

TRAVEL GUIDELINES

Travel Preapproval - Training/Conference Travel Request Form (Appendix C)

OVEC employees are required to get preapproval for all travel requests at least 30 days in advance of the conference/event date. A *Training Conference Travel Request Form (Appendix C)* must be completed for any event taking place outside OVEC property. The Training/Conference Travel Request form can be found on the OVEC website. This form must include all dates of travel, an agenda of the conference/event, lodging information (number of nights and attached documentation stating the nightly rate and name of hotel), and airfare itinerary (Expedia or Southwest) if traveling via airplane. The Training/Conference Travel Request form and supporting documentation must be submitted and approved by the direct supervisor, the CFO, and the CEO. **This must be approved prior to booking hotel/flights or conference registration.**

Travel Reimbursement

Employees and other individuals representing the Cooperative are entitled to reimbursement for travel expenses incurred during the course of an overnight trip made on official business for the Cooperative. Expenses eligible for travel reimbursement include (but are not limited to): lodging, meals, airfare, parking fees, luggage fees, and transportation costs.

- A) Lodging expenses are reimbursable when attendance at an approved training, conference, or meeting requires travel that meets **both** of the following conditions:
- 1) The event location is at least **50 miles one way** from the employee's primary work location or residence; **and**
 - 2) The travel time and event schedule would result in a total workday longer than the employee's normal workday, making same-day travel unreasonable. Reimbursement for lodging requires submission of an itemized receipt from a hotel, motel, or other place of public accommodation covering the overnight stay (See Section C below.) This provision may be waived by the CEO when circumstances warrant.
- B) Travel by Air or Car: If an employee opts for road travel as opposed to air travel, the mileage reimbursement requested on the Travel Voucher (Appendix D) must not exceed a quote for air travel for the same time and distance.

C) Reimbursement of Flights and Hotels:

- 1) The Training/Conference Travel Request Form must be submitted and approved prior to booking hotel and/or flight reservations.
- 2) Once approved, staff will create a PO for flight and hotel expenses to be reimbursed to employee who is traveling.
- 3) When flight and hotel receipts are received, staff will submit them to Finance staff at OVECRequisition@ovec.org to receive reimbursement. Please include the PO # in the subject line of the email and on the attached receipts.

D) Reimbursement of Additional Travel Expenses - Overnight Travel Reimbursement Form (Appendix E):

- 1) The *Overnight Travel Reimbursement Form* is required for requesting reimbursement of travel expenses outside of the flight and/or hotel. They may include: airport transportation, meals, parking, tolls, and baggage fees. The form is available on the OVEC website.
- 2) The Overnight Travel Reimbursement Form (Appendix E) must be submitted within 30 days of completion of a trip.
- 3) Receipts for all expenses (except meals) must be provided.
- 4) All fields shall be completed on the form in order to receive reimbursement.
- 5) Each employee must submit a separate form. A single travel form will not be approved for a group of travelers.
- 6) These travel procedures apply to all reimbursement requests regardless of the source of the funds (general, federal grants, state grants, local grants, etc.).
- 7) Failure to use the Overnight Travel Reimbursement Form in a timely manner could result in delay of payment.
- 8) Staff will create a check request for all expenses on the Overnight Travel Reimbursement Form and submit documentation.
- 9) Meal Reimbursement (for overnight travel):
 - a) An employee whose authorized travel requires an overnight stay shall be paid a per-meal allowance in accordance with the **State of Kentucky's current meal allowance rates**. Current rates can be found on OVEC's Overnight Travel Reimbursement Form. Employees must be traveling the **entire** time period listed on form to receive reimbursement for that meal.
 - b) These requirements apply to all meals. In all instances and in accordance with IRS rulings, reimbursement for meals shall be paid to the employee **only if an overnight stay was required**.
 - c) Receipts are not required for per diem meal allowances. Per diem allowances are reimbursed after the trip is completed.
 - d) If an employee attends a conference or meeting sponsored by a non-OVEC organization where the cost of the meal is fixed and that cost exceeds the meal allowance rate, they shall be entitled to reimbursement for actual charges where receipt is given.

NON-REIMBURSEABLE EXPENSES

Caution: This list of non-reimbursable expenses is intended to be representative, not comprehensive.

- 1) Alcohol
- 2) Baggage (lost baggage, optional baggage insurance, overweight baggage fees, more than one checked bag fee, oversized baggage fees, personal items, etc.)
- 3) Bank charges for ATM withdrawals and foreign currency conversion fees
- 4) Barbers and hairdressers
- 5) Cell phone charges, such as roaming
- 6) Change or cancellation fees of a flight/hotel reservation that do **not** fit into the following reasons:
 - a. OVEC business required change verified by supervisor
 - b. Canceled conference/meeting
 - c. Airline canceled flight
 - d. Death of a family member (spouse, child, parent, grandparent, grandchild, sibling)
 - e. Employee's unexpected illness, which is not due to misconduct.
- 7) Childcare
- 8) Clothing
- 9) Club and membership dues
- 10) Credit card charges/fees
- 11) Dependent care
- 12) Entertainment, including event cost and associated transportation (theatre, concerts, sightseeing, tours, sporting events, social/amusement activities, golf fees, etc.)
- 13) Expenses due to personal negligence of the traveler, including:
 - a. Fines/Fees—parking tickets, traffic violations, court costs, towing fees
 - b. Services to gain entry to a locked vehicle
 - c. Failure to cancel hotel reservations
 - d. Delivery of fuel to car; Jump-starting vehicle
 - e. Missed flights
 - f. Flight change due to failing to confirm details prior to departure
 - g. Airfare purchased less than 14 days in advance, unless the travel is for essential business travel as defined in these Travel Guidelines
- 14) Frequent flyer purchases/upgrades
- 15) Gifts
- 16) GPS
- 17) Gratuities/Tips, other than ground transportation tips up to 20% of the charge
- 18) Home or lawn maintenance expenses
- 19) Internet connectivity in public places other than hotel, conference venue, or airplane unless absolutely needed for OVEC job functions

- 20) Laundry/Dry cleaning services for travel of fewer than seven consecutive business days
- 21) Legal fees
- 22) Limousine service
- 23) Loss or theft of personal funds, property, or airline tickets
- 25) Meals for individuals who are not OVEC employees
- 26) Medical expenses (doctor fees, hospital charges, prescription meds, other medical services)
- 27) Mileage to attend either visitations or funeral services
- 28) Passport, vaccination, visa expenses, Global Entry Program, and TSA Pre-Check
- 29) Personal convenience/Comfort and upgrade expenses (early bird check-in fees, economy comfort seating, amenities, etc.)
- 30) Personal/Incidental expenses a. Movies, personal calls, manicures, pedicures, mini-bar, shoeshine, in-room video, fitness center fees, massages, spa treatments, reading material, snacks, sundry items, safety deposit boxes in hotel, etc.
- 31) Personal automobile insurance
- 32) Personal automobile maintenance/tune-ups, repairs
- 33) Pet care (veterinarian expenses, boarding/kenneling expenses)
- 34) Souvenirs
- 35) Spouse/Family/Guest/Companion expenses
- 37) Transportation to entertainment events or venues
- 38) Travel insurance
- 39) Traveler's check fees
- 40) Vacation or personal day expenses taken before, during, or after a business trip
- 41) Valet parking (unless required by hotel)

TRAVEL VOUCHERS

OVEC employees using their personal vehicle for work purposes are eligible for mileage reimbursement. *Travel Vouchers* (Appendix D) can be found on OVEC's website and should be submitted on a timely basis, preferably monthly. Travel Vouchers should be submitted no later than the published accounts payable deadline following the month traveled.. In the event of grant termination, please ensure travel vouchers are submitted prior to the time grant funds are unavailable. . The Chief Executive Officer can waive non-recommendations at their discretion.

Rate of reimbursement for use of personal automobiles for official travel shall be equivalent to the state travel policies and shall be determined by the circumstances below for employees of the Cooperative.

- A) Employees will be reimbursed for mileage above and beyond their regular daily commute (driving a car between your home and your main or regular place or work). The sum of the mileage for which you are being reimbursed for in a day cannot be greater than the actual miles less your commute.
- B) Employees who do not have a central work site and who work at more than one workplace in a day will be reimbursed for mileage from one workplace to the other. However, mileage from their home and their first workplace as well as mileage from their last workplace and their home is not reimbursable.
- C) Cooperative owned vehicles should be used if available and car-pooling should be used in all circumstances.
- D) OVEC employees that work a 185-day contract or less and substitute during the summer months will be reimbursed for mileage above and beyond their regular daily commute. Non-OVEC employees who substitute on an intermittent basis will be assigned a central work site. If a substitute is needed at a site other than their central work site, the substitute will be reimbursed mileage above and beyond their regular daily commute.

Exceptions to the above travel and expense policies may be made when agreed to by the Cooperative and an employee and/or as provided for in contractual arrangements made with other Agencies.

CONTRIBUTIONS AND DONATIONS

The Cooperative will accept all contributions or donations, which can be used effectively in the operation of the Cooperative or its programs. These contributions or donations may be in cash or in-kind.

Cash Donations – The Chief Executive Officer and Program Directors are authorized to accept cash donations on behalf of the Cooperative or its programs. The following procedures shall be followed for all cash donations:

- 1) Notification shall be made to the Chief Financial Officer of plans to receive cash donations.
- 2) Cash donations designated for a specific purpose or program will be recorded clearly identifying its restriction and purpose.
- 3) Cash donations which are unrestricted will be deposited in the Cooperative's unrestricted fund.
- 4) All cash donations will be forwarded to the Chief Financial Officer for deposit and

recording in accordance with the Cooperative's cash receipts procedures.

In-Kind Contributions – In-Kind contributions usually fall into the following categories: (a) Donated Services; (b) Supplies; (c) Loaned equipment or space; or (d) Donated equipment, building, or land. The following procedures shall be followed for all in-kind donations:

- 1) Notification shall be made to the Chief Financial Officer of plans to receive cash donations.
- 2) Program Directors are responsible for collecting, recording, and summarizing in-kind contributions for their respective programs.
- 3) An in-kind contribution voucher will be prepared by the Program Director or designated person, and the voucher will be signed by the donor. The voucher will also be signed by the Program Director or employee, signifying approval.

- 4) Valuation of in-kind donation will be as follows:

Volunteer services will be based on rates consistent with that paid for similar work plus a reasonable amount for fringe benefits.

Supplies and materials will be valued based on market value at the date of donations.

- 5) Should the Granting Agency require the market value or fair rental rate to be established by a certified real property appraiser, the Program Director should arrange and obtain such appraisals and retain copies for at least five (5) years.

NON-FEDERAL SHARE OR MATCHING

The Cooperative has federally sponsored programs which require cost sharing and matching. In general, cost sharing and matching represent that portion of project or program costs not borne by the Federal Government. Cost sharing or matching may consist of:

- A) Charges incurred by the Cooperative as project costs.
- B) Project costs financed with cash contributed or donated to the Cooperative by other non-federal public agencies and institutions, private organizations, or individuals.
- C) Project costs represented by services and real and personal property, or use thereof, donated by other non-federal public agencies and institutions, private organizations, or individuals.

All contributions, both cash and in-kind, shall be accepted as part of the Cooperative cost sharing and matching when such contributions meet all of the following criteria:

- A) Are verifiable by the Cooperative's records.
- B) Are not included as contributions for any other federally-assisted program.

- C) Are necessary and reasonable for proper and efficient accomplishment of project objectives.
- D) Are types of charges that would be allowable under the applicable cost principles.
- E) Are not paid by the Federal Government under another assistance Agreement (unless the Agreement is authorized by Federal law to be used for cost sharing or matching).
- F) Are provided for in an approved budget when required by the federal agency.
- G) Are not provided by Cooperative's employees.

In-kind services will be valued in accordance with procedures on contribution and donations. In addition, the accounting for cost sharing and matching will be in accordance with procedures on contributions and donations.

Program Directors are responsible for cost sharing and matching requirements for their respective programs. Accordingly, cost sharing and matching requirements will be reviewed by Program Directors during the budgeting process and also as part of their review of cost reports.

The Chief Financial Officer will review cost sharing and matching as part of the budgeting, reporting, and closeout process for the Cooperative's programs.

FEDERAL GRANT – RELATED INCOME

Federal grant–related income includes:

- A) **Interest and other investment income** earned on Federal grant funds; and
- B) **Program income**, as defined in 2 CFR §200.307 and applicable pass-through award conditions.

Interest and Investment Income

Except where exempted by Federal statute or the terms and conditions of the Federal award or pass-through agreement, the Cooperative shall remit interest and other investment income earned on Federal grant funds in accordance with Uniform Guidance (2 CFR §200.305) and pass-through entity requirements.

The following procedures apply to interest and investment income:

- The Chief Financial Officer (CFO), in consultation with the Program Director, will establish and maintain appropriate accounts within the Cooperative's chart of accounts to separately track interest and investment income earned on Federal grant funds.
- Unless otherwise directed by the Federal awarding agency or pass-through entity, the CFO will remit amounts due in accordance with Cooperative disbursement procedures and pass-through

reporting and remittance instructions.

Program Income

Program income means gross income earned by the Cooperative that is directly generated by a Federal award or earned as a result of activities supported by a Federal award during the period of performance, as defined in 2 CFR §200.307 and applicable pass-through requirements.

Examples of program income include, but are not limited to:

- Fees for services performed
- Sale of products, commodities, or assets
- Rental or usage fees for space or equipment
- License fees, permits, copyrights, or patent royalties
- Publication or material sales

Unless otherwise specified in the Federal award or pass-through agreement, program income will be retained by the Cooperative and used in accordance with the **deduction method** under 2 CFR §200.307. Under this method, program income is applied to reduce the Federal and pass-through share of total allowable project or program costs.

Program income must be used for allowable costs of the project or program in accordance with the Federal award and pass-through agreement. Program income may not be used to meet cost-sharing or matching requirements unless expressly authorized by the Federal awarding agency or pass-through entity.

The Federal or pass-through share of costs will be calculated based on total allowable costs net of program income and any applicable third-party in-kind contributions.

Program income will be applied to current program costs during the period of performance unless the Federal awarding agency or pass-through entity authorizes its use in a subsequent period.

Program Income Procedures

When program income is generated under a Federal or pass-through award, the following procedures apply:

- The Program Director is responsible for identifying and anticipating potential program income, communicating anticipated program income during the proposal, application, or award negotiation process, and ensuring program income is used in compliance with the terms of the Federal award and pass-through agreement.

- The CFO, in consultation with the Program Director, will establish and maintain separate accounting records to track program income by grant, program, and funding source, consistent with pass-through reporting requirements.
- Program income will be reported in required financial and performance reports in accordance with the instructions of the Federal awarding agency or pass-through entity, including KDE when applicable.

TAXES

Income Taxes – The Cooperative is exempt from income taxes under Section 115 of the Internal Revenue Code of 1986. However, the Cooperative may be subject to income tax if it has income from operation of a business enterprise not related to the purpose for which it received its exemption.

Sales and Use Taxes – The Cooperative is exempt from Kentucky Sales and Use Tax on property used for its exempt purpose.

State and County Property Taxes – The Cooperative is exempt from tangible and intangible property taxes on property used for its exempt purpose.

Federal Unemployment Taxes – The Cooperative is exempt from federal unemployment taxes as a result of it being exempt under Internal Revenue Code of 1986 Section 115.

The Cooperative is responsible for the following federal and state taxes:

Federal Withholding Tax – The Cooperative will withhold federal income taxes from employee’s wages based on Form W-4 (Withholding Allowance Certificate) and applicable withholding tables. The Payroll and Human Resources Information system (HRIS) withholds the funds from employees’ checks and pays the corresponding entities on the required schedule. .

Social Security and Medicare Taxes – The Cooperative will withhold Social Security and Medicare taxes from employee wages based on applicable rates prescribed by the Internal Revenue Service. The Payroll and Human Resources Information system (HRIS) withholds the funds from employees’ checks and pays the corresponding entities on the required schedule.

State Income Taxes – The Cooperative will withhold state income taxes from employee’s wages based on withholding allowance certificates and applicable withholding tables. Taxes withheld will be remitted to the states based on their requirements.

State Unemployment Taxes – The Cooperative is responsible for unemployment taxes, which are based on employee earnings, multiplied by an assigned rate. Unemployment taxes will be paid quarterly to the appropriate state unemployment commission.

The Payroll and Human Resources Information System (HRIS) is responsible for preparing all payroll tax reports for the Cooperative and preparing all payments for payroll taxes.

The Chief Financial Officer will review all payroll tax reports.

TELEPHONE/WIRELESS PHONES

The Cooperative's landline telephones and wireless phones have been provided based on need and for the benefit of its programs. Each telephone is assigned to a particular program and should be used only to conduct business related to that program. Program Directors are responsible for their telephones and should annually review their needs. The following procedures relate to Cooperative's telephones:

- A) Collect calls are prohibited except for calls from known staff members.
- B) Personal Calls should be limited to cases of real need or emergency.
- C) Long Distance Calls should be limited to essential business purposes and made using the most cost-effective options available. Calls that may result in additional or unusual costs require prior approval.
- D) Telephone Bills –The following procedures will be used for monthly telephone bills:
 - 1) Charges which appear to be in error or incorrect should be reviewed with the Chief Financial Officer and resolved with the telephone company by Finance staff or other relevant program staff .
 - 2) Bills, which have been approved for payment and properly coded, will be routed to the Finance Staff for payment.
 - 3) Telephone bills will be paid in accordance with the Cooperative's disbursements procedures.

BONDING AND INSURANCE

The Cooperative will maintain adequate insurance to attempt to protect itself against possible claims or damages resulting from fire and theft, property damage, personal injury, and liability.

Insurance Policies – The Chief Financial Officer will maintain an insurance file, which contains all of the insurance policies maintained by the Cooperative.

Adequacy of Insurance – Annually the Chief Executive Officer and Chief Financial Officer will review the adequacy of coverage before renewal.

Types of Insurance – The Cooperative will maintain insurance coverage in the following general areas, subject to budgetary limitations and other considerations:

Fire and Theft – The Cooperative will provide fire and theft coverage for all property and equipment at all locations.

General Liability – The Cooperative will provide commercial general liability insurance and excess liability coverage to protect against personal injury and property damage. The insurance

will provide for reasonable amounts of coverage for Head Start students resulting from accidents on Cooperative property or transportation to and from their homes.

Errors and Omissions – The Cooperative will provide errors and omissions insurance to provide for all losses due to a wrongful act.

Automobile Liability – The Cooperative will provide insurance protection for all owned automobiles to include the following coverage: (a) comprehensive; (b) collision; (c) liability; (d) medical and bodily injury; and (e) uninsured motorist.

Fidelity Bond – The Cooperative will maintain a fidelity bond to protect against employee dishonesty.

Worker's Compensation – Worker's Compensation insurance will be provided to all employees in the amount of statutory limits.

Private Insurance – In addition to the insurance carried by the Cooperative, every employee who uses their personal car for any purpose related to their position with the Cooperative must have liability insurance coverage as required by Kentucky Statute.

LOANS

Restricted funds such as federal and state grants, endowment, and donor restricted funds cannot be used for purposes other than the purpose for which they were designated. Consequently, restricted funds cannot be loaned to other programs within the fund. It is the combined responsibility of the Chief Executive Officer, Chief Financial Officer, and Program Directors to monitor restricted funds to assure that violations do not occur.

Unrestricted funds represent resources over which the Board of Directors has discretionary control and which are used to carry out operation of the Agency in accordance with its bylaws.

RETENTION AND ACCESS REQUIREMENTS FOR RECORDS

Each program or department is responsible for their own records and files. The following applies to all financial and programmatic records, supporting documents, statistical records, and other records, which are:

- A) Required to be maintained by the terms of a grant or contract.
- B) Required to be maintained by the Internal Revenue Code or other Federal regulations.
- C) Required to be maintained by the commonwealth of Kentucky Statutes or other Kentucky regulations.

The following retention periods will be used by the Cooperative:

Records shall be retained seven (7) years from the date the Cooperative's fiscal year ends which is on the last day of June, except as follows:

- A) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the 7 year period, the records shall be retained until completion of the action and resolutions of all issues which arise from it, or until the end of the regular 7 year period, whichever is later.
- B) If a grantor retention period is for longer than a 7 year retention period, the records that pertain to that grantor will be retained for the longer period.
- C) The retention period for equipment records, where the equipment was purchased in whole or in part with Federal funds, will be three (3) years and the retention period will begin on the date of the equipment's disposition, replacement or transfer at the direction of the awarding party.
- D) The retention period for income transactions on Federal sponsored programs will be three (3) years and will begin at the end of the Cooperative fiscal year in which the income was applied to reduce the allowable cost to the program.
- E) Indirect cost rate proposal retention period is three (3) years and will begin on date of such submission.

Copies made by microfilming, photocopying, or similar methods may be substituted for the original records.

Access to any Federal sponsored programs will be as follows:

- A) The Federal sponsoring agency and the Comptroller General of the United States, or any other authorized representatives, shall have the right of access to any books, documents, papers, or other records of the Cooperative, which are pertinent to the sponsored program, in order to make an audit, examination, excerpts, and transcripts.
- B) Access will not be limited to the required retention period but shall last as long as the records are retained.

Access by the Internal Revenue Service and the Commonwealth of Kentucky regulators will be in accordance with the applicable laws and regulations.

Access to all non-federal grants will be in accordance with contract or grant terms.

Access by the general public in accordance with Chapter 65 and 424 of the Kentucky revised Statutes.

The Chief Executive Officer in coordination with the Chief Financial Officer will designate and coordinate the storage of all Cooperative records.

The Chief Executive Officer in coordination with the Chief Financial Officer and, if appropriate, Program Director will direct and provide access to any Cooperative records.

COMMITTEES AND BOARD EXPENSES

The Cooperative By-Laws provide that the Board of Directors shall serve as such without compensation, except that the Board may utilize reimbursement of reasonable expenses incurred by the Directors in performance of their duties. The Head Start Policy Council serves without compensation and for all intents and purposes is treated the same as the Directors. Travel expenses incurred by the Directors and the Head Start Policy Council will be reimbursed in accordance with the Cooperative's travel procedures.

CLOSE-OUT OF GRANTS OR PROGRAMS

Each grant or program shall be closed out as promptly as is feasible after expiration or termination. In closing out grants or programs, the following procedures shall be observed:

- A) Requests for payment should be filed for any allowable reimbursable costs not covered by previous payments.
- B) The Cooperative will immediately refund or otherwise dispose of, in accordance with instruction from the grantor, any unobligated balance or cash advance.
- C) The Cooperative will submit, within ninety (90) days of the date of the expiration or termination, all financial, performance, and other reports required by the terms of the grant.
- D) The Cooperative shall make a settlement for any upward or downward adjustment of the Federal share of costs, to the extent called for by the terms of the grant.

Close-out will require the combined effort of the Program Director and the Chief Financial Officer. Reports should be prepared and approved in accordance with the Cooperative's financial reporting requirements.

BANK RECONCILIATIONS

The bank accounts of the Cooperative will be reconciled promptly after the end of each month. The following procedures will be used:

- A) One member of the Finance staff will be designated to prepare all bank reconciliations.
- B) The Chief Financial Officer, or the designated member of the Finance team receives all bank statements (with canceled checks, debit and credit advices, etc.) unopened from the bank or via online access. The statements will be saved on the share drive.
- C) The reconciliation procedures for all bank accounts include the following with respect to disbursements and deposits:

- 1) Daily checks with the Positive Pay system via online banking for all cashed checks and ACH disbursements.
- 2) Bank reconciliation will be completed in the accounting software. The completed bank reconciliation and supporting documentation will be saved as a PDF on the Accounting share drive by fiscal year.

OCCUPANCY

The Agency's procedures for occupancy costs are as follows:

- A) If the Cooperative rents facilities used for a program, documentation will be obtained to show that charges are reasonable.
- B) If the Cooperative is using occupancy costs as Non-Federal share, values will be calculated as follows:
 - 1) The value of the facility space will be established through a current, independent appraisal.
 - 2) The non-federal share contribution will be based on the difference between the appraised rental value of the space and the actual rent paid.
 - 3) Supporting documentation, including the appraisal report and rental agreements must be maintained in accordance with federal regulations.
 - 4) Appraisals will be updated at least every three years or when significant changes in property value occur.
- C) If the Cooperative does not own the building and rental costs are being contributed, documentation will be obtained to show that charges are reasonable.
- D) All contracts or agreements will be legally sound and will be in the best interest of the Cooperative.

If the renovations are included under the grant, such renovation will qualify as renovation and not construction and will be charged in accordance with the cost principles and if appropriate, regulatory guidance.

APPENDICES

Appendix A

Creating Purchase Orders

MICROIX : ALWAYS USE TAB (NOT ENTER)

<https://ovec.mip-cloud.com/MicroixCloud/HomePage.aspx>

Go to **Microix**

Go to **Purchase Order/Invoice**

Go to **My Documents**

- If this is a duplicate of a past PO, you can copy a PO and change the details (date, price, quantity, etc. to reflect changes needed)Click “**+New**” at the bottom to see 3 options:
- Choose PO/Req
- Document Prefix = 26 (or current FY end)

Click **OK**

Description: List the site or program you are ordering for and describe the items

Workflow ID: The workflow will dictate who is approving the PO. It will automatically be forwarded to the next person in the approval process.

Order date: Default set to the date you are creating the document

Required date: Default set to 10 days from Order date (does not print on PO)

Bill To: Select OVEC. This information is not essential to the process, but you cannot submit the request while it is blank.

Ship To: Select OVEC or site where items should be shipped. This information is not essential to the process.

Vendor ID: Begin typing or select vendor from drop down list.

**Vendor ID may not be the same as the Vendor Name. To find correct vendor, search under Vendor ID and Name in drop down box. If cannot find correct vendor, select “Query Vendors” icon and type in part of the word.

Check Address ID: Select from drop down list if needed. Confirm it’s correct.

Reason/Justification: Internal notes. Vendor will not see what is written here.

Special Instructions/Comments: Any notes in this box will print on PO. List your Model Procurement

Number here.

Model Procurement KRS45A: See Model Procurement flow chart!! Choose appropriate model procurement for your order. Follow additional directions as needed from flow chart. (For example, if using cooperative purchasing, copy and paste contract number in special comments).

Under **Transactions**, for each item needed:

Item No = enter item number from vendor (if no item #, type NA)

Qty = enter quantity needed for that item

Tab through Units

Date = enter date

Description = Copy/paste item description from vendor if possible

Type = NA

Price = Enter item price

Amount = automatically calculates

Dist Code = if ONE grant code, no distribution code needed (N/A). IF the item needs to be allocated between grants, use distribution code. If using distribution code, you do not have to enter Fund/Grant/LED codes (just GL code)

Fund = will always be 1

GL Code = General Ledger account code

Grant Code = you will use a grant code when the item being ordered is for only 1 grant

LED code =000 unless given a designated LED code for a purchase (**Effective 7/1/25, use appropriate LED code for HS sites**)

117 category = always put a "0"

Tab down to add a line.

Attachments = attach any necessary paperwork (quotes, estimates). Click paperclip at the top of the page. Copy/paste attachment from local folder into the "Open" Attachment folder. Click Open. Click Save at the bottom. Click OK. Click Close.

Click **Submit for Approval** icon and click OK.

If mistake was made and **Recall** is needed: highlight it and click **Recall** icon at bottom right. Make changes and submit again.

Approval Process: Once created, it will be viewable in "My Documents" and can view it move through

the approval process.

Once Approved: items can be ordered/purchased.

- If prices have changed since time PO was submitted, it is okay to still place order as long as total cost of order is equal/less than the total cost on approved PO.
- If different quantities or types of items have to be purchased/ordered because quantities/types have changed since creation of PO, email Lauren/Lacey to let them know so that reconciling is easier.
- If the amount of invoice/receipt is 15% or more than approved PO amount, Finance staff will contact purchaser – a supplemental PO may be needed

When items are received, attach **Packing Slip** in Attachments.

Appendix B

Creating Check Requests/Standard Invoices

<https://ovec.mip-cloud.com/MicroixCloud/HomePage.aspx>

Go to **My Documents** in Microix

Click “+New”

Document Type: API Accounts Payable

Number Prefix: AP

Click **OK**

Description: This information shows on the check memo. Invoice numbers and all relevant payment information should be included here.

Order Date is the invoice date.

Required Date is the due date.

Workflow ID: Use the same workflow as you use for POs. The workflow will dictate who is approving your check request. We will no longer need to send documents all over the building and internet to obtain signatures. These check requests will automatically be forwarded to the next person in the approval process.

Bill To: Select OVEC or default location. This information is not essential to the process, but you cannot submit the request while it is blank.

Ship To: Select OVEC or default location. This information is not essential to the process, but you cannot submit the request while it is blank.

Vendor ID: Begin typing or select vendor from drop down list.

Check Address ID: Select from drop down list if needed.

Reason/Justification: Internal notes. Vendor will not see what is written here.

Special Instructions/Comments: Any notes in this box will print on check request document but will not print on the check.

Model Procurement KRS45A: Same as PO.

Invoice No: Enter invoice number or create an invoice number (e.g. AdkinsCell022024)


Item No: Enter invoice number or other identifying number if available. You can also enter a short word, number, or code of your own creation.

*All other categories function the same as POs (see Purchase Order instructions). **Remember to use appropriate LED code for Head Start sites.**

**Please attach invoice and all supporting documentation digitally via the paperclip at the top of the page.

Appendix C

The Training/Conference Travel Request can be accessed on the OVEC website. Select *Staff Resources* then *Internal Forms* to access the Google drive.

 OVEC <small>OHIO VALLEY EDUCATIONAL COOPERATIVE</small>	Training/Conference Travel Request	
Conference/Training Title: _____		
Dates of Conference/Training: _____ Dates of Travel: _____		
Location: _____		
Persons Traveling		
_____	_____	
_____	_____	
_____	_____	
_____	_____	
Travel Items Needed		
<input type="checkbox"/> Registration		
<input type="checkbox"/> Lodging Number of Nights _____ Nightly Rate _____ Hotel Name _____ Confirmation # _____		
<input type="checkbox"/> Airline NOTE: Create Itinerary Do Not Book Until Travel Packet Is Approved		
<input type="checkbox"/> Other Transportation Please Specify _____		
<input type="checkbox"/> If the event is over a weekend, attach Prior-Authorization to Work Weekends Form		
Payment Methods		
<input type="checkbox"/> Purchase Order or Check Request - Create after travel packet is approved		
<input type="checkbox"/> Ramp Card - Create PO for Ramp only if registration requires credit card payment		
<input type="checkbox"/> Employee Personal Payment Method - book hotel and flight after travel packet is approved		
Coding for Travel		
Grant Code: _____	Expense Code: _____	LED: _____
Grant Code: _____	Expense Code: _____	LED: _____
Grant Code: _____	Expense Code: _____	LED: _____
<i>These expenses meet the objectives in the program plan budget approved by the granting agency.</i>		
Program Director: _____	Date: _____	
Director of Finance: _____	Date: _____	
Chief Executive Officer: _____	Date: _____	
• If driving to the location, mileage reimbursement must be equal to or less than airfaire. Travel must occur no more than one day before and one day after the event, with prior approval. Additional travel, lodging, and meals beyond these limits are at the employee's own expense and only non-work or paid leave days may be claimed.		

Appendix E

The Overnight Travel Reimbursement form can be accessed on the OVEC website. Select *Staff Resources* then *Internal Forms* to access the Google drive. Please select the current form. Below is an example.

Overnight Travel Reimbursement Form

Please use this form to request reimbursement for overnight travel expenses.

Please include your approved travel approval packet.

Receipts must be included for all items being reimbursed
(receipt not needed for meal reimbursement)

Name	
Mailing Address	

Date/Time of Departure	
Date/Time of Return	

Reimbursement Category	Reimbursement Amount
Transportation (Uber, Lyft, taxi, etc.)	
Meals (Please refer to Per Diem, times of travel)	
Parking	
Tolls	
Baggage Fees	
Grand Total	

MEAL REIMBURSEMENT FOR APPROVED OVERNIGHT TRAVEL		
Must be traveling during the entire block of time		
Breakfast	Travel between 6:00 a.m.-9:00 a.m.*	\$8
Lunch	Travel between 11:00 a.m.- 2:00 p.m.*	\$12
Dinner	Travel between 5:00 p.m.-8:00 p.m.*	\$26