ACADEMY OF ACCELERATED LEARNING, INC.

FISCAL MANAGEMENT POLICY MANUAL

Policy Group 5

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Effective Date: August 24, 2026

Prepared For

Board of Directors

Academy of Accelerated Learning, Inc.

6711 Bellfort Avenue

Houston, Texas 77087

"Achieve. Accelerate. Lead."

Board Secretary
Isaac Ledesma

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the Board's final authority over the School.

Sec. 2. APPLICABILITY.

This policy shall act as a keystone fiscal policy and shall apply to all other Board policies or administrative procedures. In the event of any conflict with other Board policy or administrative procedure, the requirements set forth in this policy shall prevail and govern. Accordingly, Board policies should include an appropriate reference to this policy.

Sec. 3. FINAL AUTHORITY.[1]

Sec. 3.1. Powers and Duties. Absent a specific delegation of a power or duty (as approved by the commissioner of education, where applicable), the Board may not delegate, and thus retains, functioning as a body corporate, final authority to exercise the following powers and duties:

(a) Adopt and amend policy;

(b) Adopt and amend the budget, including the number and type of personnel units to be employed by the School;

(c) Approve amendments to School's charter with TEA, including the organizational structure of the School;

(d) Approve the obligation and expenditure of funds;

(e) Approve the use of property;[2]

(f) Approve the purchase, lease or sale of real property;[3]

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1 *Tex. Bus. Org. Code §§ 3.101; 22.201; Tex. Educ. Code §§ 12.111(a)(16); 12.121; 19 Tex. Admin. Code § 100.1113(a)(1)*

2 At *19 Tex. Admin. Code § 100.1001(22)*, certain economic and financial resources, such as cash, bank accounts, loans and other such items, are defined as personal property. At *19 Tex. Admin. Code § 100.1091(a)*, personal property is public property. Consequently, the use of public property, such as cash, bank accounts, and loans, are subject to the Board's final authority.

3 *Tex. Educ. Code § 12.106(f)(4). 19 Tex. Admin. Code § 100.1113(b)-(c)* requires that the Board of a charter holder maintain the primary responsibility for implementing the public school program authorized by the open-

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(g) Direct the disposition and safekeeping of records, including access to, control over and possession of such records;

(h) Approve the annual financial and compliance report;

(i) Set compensation for the CEO/Superintendent and for officers, as defined in Sec. 5 of this policy, and employees through the adoption of policy and the annual operating budget, including the School's compensation plan and salary and wage schedules;

(j) Approve contracts for the acquisition of personal property[4] and the purchase of goods and services;[5]

(k) Amend its governing documents (articles of incorporation or certificate of formation, corporate bylaws and any other document or record establishing the protocols and practices of the Board and School) subject to approval of a charter amendment by the commissioner of education; and

(l) Establish and staff committees to support the Board with its fiscal oversight of the School's business affairs, finances and operations.

Sec. 3.2. Initial Delegation.

This final authority notwithstanding, the Board hereby authorizes the Superintendent (the "Delegate") to initially exercise the authority set forth in Section 3.1(d), (e), and (g) of this policy in a manner consistent with this and other Board policy. The Delegate may assign related duties to the Chief Financial Officer or other appropriately qualified administrators consistent with Board policy, administrative procedures, and the School's organizational structure. Notwithstanding such assignment of duties, the Delegate shall remain accountable to the Board for compliance with this

enrollment charter and ensuring the performance of the students enrolled in its charter schools in accordance with the Texas Education Code. The rule further provides, under (b)(1), that "An open-enrollment charter grants to the governing body of a charter holder the authority to operate a charter school" and, under (b)(2), that, "Except as provided by this section, the governing body's powers and duties to operate the charter school shall not be delegated, transferred, assigned, encumbered, pledged, subcontracted, or in any way alienated by the governing body of the charter holder. Any attempt to do so shall be null and void and of no force or effect and shall constitute abandonment of the contract for charter."

4 *See 19 Tex. Admin. Code § 100.1001(22)* and *2 C.F.R. § 200.1* for legal definitions of personal property.

5 *El Paso Education Initiative, Inc. v. Amex Properties, LLC*, 385 S.W.3d 701, 706, 708 (Tex. App.–El Paso 2012, pet. denied.). *Tex. Bus. Org. Code §§ 3.101; 22.201; Tex. Educ. Code §§ 12.115(a)(2); 12.121; 19 Tex. Admin. Code §§ 100.1133(a)(1)(B); 100.1063(a)(2); 100.1113(a)/(d)*

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policy and shall bring recommendations through the Board's committee process and to the Board for final review and consideration of approval.[6]

Sec. 3.3. Required Reporting. In accordance with applicable Board policy, the Delegate shall report to the Board any business arrangement or transaction with an individual that is an officer, as defined in Section 5 of this policy, and any conflicted,[7] interested,[8] or related[9] party, as defined in other Board policy or applicable law, expressly including family members by blood or marriage to the third-degree. The School and its officers may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 3.4. Board Review and Action. At the Board's discretion, the Board may, at any time, review any business arrangement or transaction subject to this policy and approve or disapprove the Delegate's initial action on the Board's behalf.

Sec. 3.5. Primary Responsibility. Any delegation of authority notwithstanding, the Board remains responsible for any business arrangement or transaction undertaken by the Delegate.[10]

Sec. 4. DESIGNEE.

Sec. 4.1. In Board policy, where the Delegate is authorized to confer authority to a designee (as denoted by the phrase "or designee"), the Delegate may confer such authority to one or more designees. If the Delegate confers authority to a designee, the Delegate shall do so in writing through an administrative procedure, job description, or internal memorandum. The Delegate's conferred authority to a designee must be specific and must cite the policy section from which it is derived. Any delegation of authority to a designee not documented as set forth in this section shall be null and void.

Sec. 4.2. Any delegation of authority notwithstanding, the Delegate remains responsible for the business arrangement or transaction undertaken or that should have been undertaken pursuant to this and other Board policy, including the reporting and accounting of business expenses by School officers and employees.

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6 Consistent with the *Standards for Internal Control in the Federal Government*, the Board is segregating the duties over finances from the duties over operations. Although, through this and other policy, the Board requires that the Delegate report to the Board and the Board authorizes the Delegate to initially exercise certain authority over the School's finances, the Chief Executive Officer and Superintendent shall be the Chief Financial Officer's immediate supervisor for all purposes.

7 *Tex. Educ. Code § 12.1054; 19 Tex. Admin. Code § 100.1143 through 100.1151*

8 *19 Tex. Admin. Code § 100.1067(f)*

9 *Tex. Educ. Code § 12.1166*

10 *Tex. Educ. Code § 12.121; 19 Tex. Admin. Code § 100.1113(d)*

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Sec. 5. OFFICER.

For the purposes set forth in this and other Board policy, *Officer* means a person charged with the duties of, or acting as, a chief executive officer, a central administration officer, a campus administration officer, or a business manager[11] including individuals employed in the following central administrative and campus leadership positions:

(a) Chief Executive Officer and Superintendent,
(b) Deputy Superintendent,
(c) Assistant Superintendent of Curriculum and Instruction,
(d) Business Manager,
(e) Director of Federal Programs,
(f) Principal,
(g) Assistant Principal, and
(h) Any other person that may be characterized as an officer under applicable law.

Sec. 6. BOARD AUTHORIZATION REQUIRED.

Sec. 6.1. Consistent with Section 3 of this policy and the Board's fiduciary duties and standard of care established under applicable law, the Delegate shall present to the Board for approval any business arrangement or transaction with a cost or value greater than or equal to $100,000 or that relates to an officer, as defined in Section 5 of this policy, or conflicted,[12] interested,[13] or related[14] party, as defined in other Board policy or applicable law.

Sec. 6.2. The Delegate shall present all contracts to the Board for its approval.[15]

Sec. 7. PRUDENT PERSON RULE.[16]

In their use of the funds, property and other organizational resources, such as established lines of credit and the talents of and time worked by employees and contractors, officers and employees shall limit their use of funds and property to purposes pertaining to the School's mission and to those activities, functions, programs, and services that are ordinary and necessary for the conduct

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11 *19 Tex. Admin. Code § 100.1001(20)*
12 *Tex. Educ. Code 12.1054; 19 Tex. Admin. Code § 100.1143 through 100.1151*
13 *19 Tex. Admin. Code § 100.1067(f)*
14 *Tex. Educ. Code § 12.1166*
15 *El Paso Education Initiative, Inc. v. Amex Properties, LLC*, 385 S.W.3d 701, 706, 708 (Tex. App.–El Paso 2012, pet. denied.). *Tex. Bus. Org. Code §§ 3.101; 22.201; Tex. Educ. Code §§ 12.115(a)(2); 12.121; 19 Tex. Admin. Code §§ 100.1133(a)(1)(B); 100.1063(a)(2); 100.1116(a)/(d)*
16 *Tex. Bus. Org. Code § 22.221; Tex. Prop. Code §§ 163.004, 163.005; 163.006; 2 CFR § 200.303(a); Standards for Internal Control in the Federal Government § 8.03; 2 C.F.R. § 200.404; Government Auditing Standards §§ 6.23; 7.25; 8.122*

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of the School's mission. Importantly, in their use of funds, officers and employees shall only incur costs that, by their nature and amount, do not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time that the decision was made to incur the cost.

Sec. 8. ABUSE AND WASTE PROHIBITED.

Sec. 8.1. Officers and employees shall not abuse or waste funds, property and other organizational resources, such as established lines of credit and the talents of and time worked by employees and contractors.

Sec. 8.2. For purposes of this policy, abuse is defined as behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.[17]

Sec. 8.3. For purposes of this policy, waste is defined as the act of using or expending resources carelessly, extravagantly, or to no purpose. In this context, waste relates primarily to mismanagement, inappropriate actions, and inadequate oversight.[18]

Sec. 9. TRAINING AND UPDATES.[19]

The Delegate or designee must properly train or ensure training is provided to School officers and employees on the requirements of all policies adopted by the Board under Policy Group 5, Fiscal Management, and any administrative procedures adopted to implement the Group 5 policies. Additionally, the Delegate or designee must keep School officers and employees informed of any changes to these policies and related requirements.

Sec. 10. ADMINISTRATIVE PROCEDURES.[20]

The Delegate must formally adopt administrative procedures as reasonably necessary to properly administer the policies adopted by the Board under Policy Group 5 and to adhere to applicable law and rule. In doing so, the Delegate must not adopt, and is prohibited from adopting, an

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17 *Government Auditing Standards §§ 6.23; 7.25; 8.122*

18 *Government Auditing Standards §§ 6.21; 7.23; 8.120*

19 *2 C.F.R. § 200.303(a); Standards for Internal Control in the Federal Government §§ 4.02;4.05*

20 Consistent with *19 Tex. Admin. Code § 100.1133(a)(1)(B)*, the Board has the final authority to adopt policies governing charter school operations, including authorizing the Delegate or designee to adopt an administrative procedure to implement the adopted policies. Moreover, as set forth in School's Articles of Incorporation and Bylaws and in accordance with *Tex. Bus. Org. Code §§ 3.101 and 22.201*, the Board is the School's governing authority and, as such, manages and directs the School's business and affairs through Board actions, resolutions and policy.

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administrative procedure that conflicts with applicable law or the policies adopted under Policy Group 5. Accordingly, the Delegate must confer with the Board or legal counsel before deviating from the requirements set forth in the Group 5 policies. If a deviation from any policy becomes necessary, the Delegate must either recommend an amendment to the policy in question or obtain the Board's approval of a specific deviation, including the purpose, scope and duration of the requested deviation.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.001, Authority Over Fiscal Matters, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____

Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. (hereafter, the "Charter Holder") doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the common standards of ethics and fiscal stewardship that the Board and Officers[21] must follow as trustees to demonstrate that they conformed to the standard of care and fiduciary duties that a trustee owes the students enrolled in the School.[22]

Sec. 2. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.002.

Sec. 3. MISSION STATEMENT.

To develop an accelerated learning environment that clearly charts a path for empowerment for primarily at-risk students to become tomorrow's problem solvers, thinkers, and leaders through participation in a wide variety of educational experiences appropriate to their age, interests, and needs. Our school staff will be encouraged to be innovative and will be given vehicles to plan, develop, and implement programs and activities that foster responsibility, academic achievement and lifelong learning in a safe and nurturing environment. To provide innovative and accelerated classroom training in Remedial Basic Skills, Life Skills, and academic programs for Pre-K to 8th grade.

Sec. 4. BOARD STEWARDSHIP.

Sec. 4.1. It is the School's policy to advocate for and implement financial decisions and practices that both further the mission of the Charter Holder, as set forth under Section 3 of this policy, and that are made in the interest of the Charter Holder in compliance with its fiduciary duty owed to the School's students.

Sec. 4.2. As such, the Board must make financial decisions with integrity, fairness, objectivity, and that maximize benefits while minimizing the cost of goods and services to the Charter Holder and School.

Sec. 4.3. The Board shall, as a body corporate and as individual members, explore and develop fiscal stewardship through training and other means of educating Board members and Officers in

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21 *PG-5.001, Sec. 5*
22 *Tex. Educ. Code § 12.107(a)(2); 19 Tex. Admin. Code § 100.1063(a)(2); 100.11091(b)*

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the understanding of legal and other requirements pertaining to the Charter Holder's and School's financial management.

Sec. 4.4. Such training and education shall consider, but shall not necessarily be limited to, the proper discharge of ethical conduct under Section 5 of this policy, development of management controls and monitoring of business activities, addressing possible abuse, waste, fraud and other irregularities through special audits and investigations, and referrals to oversight agencies and law enforcement.

Sec. 5. CODE OF ETHICS.

Considering that the purchasing of goods and services is a function that is susceptible to abuse, waste, and fraud, School employees must adhere to the following standards of ethical conduct.

(a) It is a breach of ethics to attempt to realize personal gain through public employment with the School by any conduct inconsistent with the proper discharge of the employee's duties.

(b) It is a breach of ethics to attempt to influence any School employee to breach the standards of ethical conduct set forth in this Section 5.

(c) It is a breach of ethics for any School employee to participate directly or indirectly in a procurement when the employee knows that:

(1) a real or apparent conflict of interest may exist for the employee or the employee's immediate family;

(2) the employee, or any member of the employee's immediate family, has a financial interest in the procurement;

(3) the employee, or any member of the employee's immediate family, has a financial interest in a respondent to the procurement solicitation and said respondent has a financial interest in the procurement; or

(4) the employee, or any member of the employee's immediate family, is negotiating or has an arrangement concerning prospective employment with a respondent to the procurement solicitation and said respondent has a financial interest in the procurement.

(d) It is a breach of ethics to offer, give, or agree to give any School employee or former School employee, or for any School employee or former School employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation,

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preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim, or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before the School. Acceptance of gratuities may be construed as a criminal offense.

(e) It is a breach of ethics for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any School contract, or any person associated therewith, as an inducement for the award of a subcontract or purchase order.

(f) The prohibition against gratuities and kickbacks prescribed above should be conspicuously set forth in every contract and solicitation therefore.

(g) It is a breach of ethics for any School employee or former School employee to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.[23]

Sec. 6. VENDOR RELATIONS.

To foster positive vendor relationships that conform with Section 5 of this policy, School employees should arrange for meetings with current or potential vendors through the department responsible for purchasing and to involve said department in all interactions with current or potential vendors.[24]

Sec. 7. VENDOR GIFTS.

Sec. 7.1. Gifts Prohibited. To mitigate the risk of any influence upon a procurement of goods or services, including the appearance of same, the Board, either as a body corporate or as individual members, Officers, and employees must not accept, directly or indirectly, anything of value from a current or potential vendor including, but necessarily limited to, articles of clothing, gift cards, gratuities, meals, money, personal gifts, tickets for entertainment or sport events and venues, travel, etc.[25]

Sec. 7.2. Exception. If a vendor provides a gift to the Board, a Board member, Officer, or employee, the vendor's gift may only be accepted on behalf and for the benefit of the School's

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[23] *F.A.S.R.G. Module 5 (5.2.2 Common Standards of Ethics); 2 C.F.R. § 200.318(c)(1)*
[24] *F.A.S.R.G. Module 5 (5.2.3 Vendor Relations)*
[25] *F.A.S.R.G. Module 5 (5.2.4 Vendor Gifts)*

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students and must be forwarded to the Delegate or designee for proper accounting and safeguarding.

Sec. 7.3. Use for Incentives. The School may use gifts received from vendors under Section 7.2 of this policy to provide incentives to staff and students for any purpose that benefits the School's students. The Delegate or designee must adopt administrative procedures to implement this Section 7.3.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.002, Code of Ethics and Fiscal Stewardship, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____
Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the commitment of School funds for the employment of personnel, the purchase of goods and services, the settlement of debt, and any other lawful use and the resulting expenditure of School funds.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.021 applies to the School's administration of funds received for the benefit of the School's students, including funds deposited into a bank account, held as petty cash, or invested in an authorized investment.[26]

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.021.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. INITIAL ADOPTION.[27]

Sec. 4.1. Proposed Budget. In accordance with the policy statements set forth in Section 9 of this policy, the Delegate or designee must prepare and recommend an annual budget for the School ("Proposed Budget"), for consideration and adoption by the Board. In preparing the Proposed Budget, the Delegate or designee must include any and all descriptions and amounts for estimated revenues from all sources of local, state and Federal funding, both known and anticipated, and proposed expenses and outlays for personnel, professional and contracted services, real and personal property, debt service, materials, supplies, and other operating expenses reasonable and necessary for the conduct of the School's operations and the furtherance of its mission.

Sec. 4.2. TEDS Compliance. The Delegate or designee must prepare the Proposed Budget in a form to facilitate the School's compliance with the Texas Education Data Standards ("TEDS") and

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[26] *Tex. Educ. Code §§ 12.107(a); 12.128(a); 19 Tex. Admin. Code §§ 100.1001(22)(D); 100.1063(a)(2); 100.11091(b)*

[27] *F.A.S.R.G. Module 2; Tex. Educ. Code § 44.002; 19 Tex. Admin. Code §100.1113(a)(1)(B)*

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submission of the required budgeted financial data to the Texas Student Data System Public Education Information Management System.

Sec. 4.3. Coordination and Collaboration. The Delegate or designee must coordinate and collaborate with the Chief Executive Officer and other officers, as defined in Section 5 of PG-5.001, to develop the Proposed Budget.

Sec. 4.4. Compensation Plan. As part of the Proposed Budget, the Delegate or designee must prepare a compensation plan that identifies all remuneration to be provided to School employees, including, but not limited to, salary, hourly wages, stipends and supplemental pay, extra-duty pay, incentives, and fringe benefits.[28] In the compensation plan, the Delegate or designee must identify the salary and hourly wage range for each position. Additionally, the Delegate or designee must identify the amount for each stipend and supplemental pay by type of qualification or requirement, such as having an advanced degree or teaching certification, or performing additional duties to chair a campus department. The Delegate or designee must base extra-duty pay upon the position's salary, as an hourly amount, or hourly wage in a manner consistent with applicable law.

Sec. 4.5. Incentives. As part of the compensation plan, the Delegate or designee may develop a performance incentive program that provides incentive compensation to employees for longevity, perfect attendance, retention, safety, student performance, and other data driven, measurable performance related outcomes.

Sec. 4.6. Chief Executive Officer Review. Prior to submitting the Proposed Budget to the Board, the Chief Executive Officer must review and approve the Proposed Budget.

Sec. 4.7. Adopted Budget. After reviewing, deliberating, and as appropriate and necessary, revising the Proposed Budget, the Board must adopt the Proposed Budget during a meeting conducted pursuant to the Texas Open Meetings Act and applicable Board policy ("Adopted Budget").

Sec. 5. AMENDMENT.[29]

Sec. 5.1. During the fiscal year, and in accordance with the policy statements set forth in Section 9 of this policy, the Delegate or designee must prepare a proposed amendment to the Adopted Budget ("Proposed Amendment") to account for any material variances between realized and estimated revenues and actual and budgeted expenses and outlays.

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[28] The Delegate or designee must address the reimbursement of travel and other expenses incurred by employees for the official conduct of School business through other Board policy.

[29] *FASRG Module 2; Tex. Educ. Code § 44.006; 44.052; 19 Tex. Admin. Code § 100.1113(a)(1)(B)*

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Sec. 5.2. For purposes of this section, a material revenue variance is any difference between realized and estimated revenues that is equal to or greater than ten percent (10%) of the estimated revenues. For purposes of this subsection, the comparison shall be by major object classification.

Sec. 5.3. For purposes of this section, a material expense variance is any difference between actual and budgeted expenses that is equal to or greater than ten percent (10%) of the budgeted expenses. For purposes of this subsection, the comparison shall be at the level of detail as disclosed in the Adopted Budget.

Sec. 5.4. The Delegate must submit a Proposed Amendment(s) to the Board for review and approval. After reviewing, deliberating, and as appropriate and necessary, revising the Proposed Amendment, the Board must approve or disapprove the Proposed Amendment ("Approved Amendment").

Sec. 5.5. The Delegate must obtain an Approved Amendment required under this section prior to the obligation and expenditure of funds.

Sec. 6. NOTICE TO PUBLIC; POSTING OF BUDGET.

Sec. 6.1. Recognizing that transparency in the administration of public funds is of paramount importance to the administration of the School, the Board or designee must publish a notice to the public of the meeting(s) at which it will deliberate and adopt the Proposed Budget. The notice must conform to the form and content requirements for other notices to the public of the meetings of the Board.

Sec. 6.2. For each meeting at which the Board will discuss or adopt the Proposed Budget, the Delegate or designee must post adjacent to the notice of each meeting:

(a) A physical copy of the Proposed Budget; or
(b) Make the Proposed Budget clearly accessible on the home page of the School's internet website.[30]

Sec. 7. DEADLINE FOR ADOPTION.

The Delegate must submit the Proposed Budget to the Board at least ten (10) business days prior to the start of the fiscal year or school year, whichever date is earliest.[31]

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30 *Tex. Gov't. Code § 551.043(c); F.A.S.R.G. Module 2*
31 *F.A.S.R.G. Module 2*

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Sec. 8. FORM AND CONTENT OF BUDGET AND AMENDMENTS.

Sec. 8.1. The Proposed Budget and any Proposed Amendment presented by the Delegate to the Board must conform to the requirements set forth in this section. At its discretion, the Board may disapprove any Proposed Budget or Proposed Amendment not conforming to the requirements set forth herein.

Sec. 8.2. The Delegate or designee must prepare the Proposed Budget and Proposed Amendment(s) utilizing the account code structure required by the Texas Education Agency ("TEA") and with sufficient itemization to provide the Board meaningful financial information to make an informed decision.[32] In the Proposed Budget, except for net assets (or fund balance), the Delegate or designee must exclude any amounts set aside for future use without a specific purpose in mind and not include any amounts that do not constitute anticipated expenses.

Sec. 8.3. The Delegate or designee must prepare a Proposed Budget and Proposed Amendment(s) that include an adequate and sufficiently descriptive disclosure of the proposed expenses for:

(a) salaries, wages and fringe benefits, including allowances, awards, gifts, incentives of any kind, and any form of monetary or in-kind benefit, both taxable and tax-exempt and irrespective of value;

(b) professional services, as defined in state law;

(c) public works and construction services contracts;

(d) supplies, materials, travel, non-employee incentives, and other operating costs;

(e) debt service;

(f) the acquisition of capital assets, other than for public works; and

(g) any other cost or expense for any type of activity, function, program, or service.

Sec. 9. ACCURACY OF REVENUE ESTIMATE.

Recognizing the critical significance of an accurate revenue estimate upon which to make an informed decision as to the amounts to be appropriated for expenses in the Adopted Budget, the

[32] *F.A.S.R.G. Module 2*

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Delegate or designee must prepare a revenue estimate that is found to be within ten percent (10%) of the School's realized revenues.[33]

Sec. 10. PROPOSED EXPENSES TO COMPLY WITH ALLOWABLE USES OF FUNDS.

The Delegate or designee must prepare a Proposed Budget and Proposed Amendment(s) that include proposed expenses that comply with applicable Board policy and state and federal law and are not prohibited as to purpose, for an activity, function, program, or service or for the purchase of a particular item or service.[34]

Sec. 11. FISCAL COMPLIANCE.

The Delegate or designee must prepare a Proposed Budget and Proposed Amendment(s) that ensures the School's compliance with:

(a) The Financial Integrity Rating System of Texas ("FIRST") to yield a favorable financial accountability rating.

(b) The maintenance of effort requirements for Federal awards received under the Elementary and Secondary Education Act ("ESEA") and the Individuals with Disabilities Education Act ("IDEA").

(c) The supplement, not supplant requirement for Federal awards received under the ESEA, IDEA, and Carl D. Perkins Career and Technical Education Act.

(d) The comparability of services requirement for ESEA Title I, Part A.

(e) The excess cost requirement for IDEA Part B.

(f) The application of restricted and unrestricted indirect cost rates to Federal awards.

(g) State law mandating the minimum percentage that must be expended for the following student-based allotments:

(1) Special education allotment,
(2) Allotment for student with dyslexia or other related disorder,
(3) Bilingual education allotment,
(4) Career and technology education allotment,

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33 *19 Tex. Admin. Code § 109.1001(f)(9); FIRST Indicator 10*
34 *Tex. Educ. Code §§ 12.107(a)(3); 45.105(c); 19 Tex. Admin. Code § 100.1063(a)*

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(5) Early education allotment,
(6) Gifted and talented student allotment, and
(7) College, career, or military readiness outcomes bonus.

(h) Other applicable Federal or state legal requirements.

Sec. 12. PUBLICATION OF ADOPTED BUDGET.

After the Board adopts the Proposed Budget, the Delegate or designee shall post the Adopted Budget on the School's website.[35]

Sec. 13. REPORT TO BOARD.

Within ten (10) business days after each calendar month, the Delegate must provide to the Board a comparison of actual expenses to budgeted expenses, as amended, and provide a statement accounting for any variances exceeding ten percent (10%). In the statement, the Delegate must disclose any corrective measures undertaken to address any and all variances exceeding ten percent (10%), including the preparation of a Proposed Amendment.

[35] *19 Tex. Admin. Code § 100.1039(2)K)*

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.021, Authorization for the Obligation and Expenditure of Funds, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the lawful use of public funds.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.030 applies to the School's obligation and expenditure of Federal awards, state aid, and local revenues.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Controlling Policy. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.030.

***Sec. 3.2.* Delegate.** For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 3.3. Prudent Person Rule. See Policy PG-5.001, Section 7.

Sec. 3.4. Abuse and Waste Prohibited. See Policy PG-5.001, Section 8.

Sec. 4. FIDUCIARY DUTY.

As fiduciaries, the Board and Officers[36] have been entrusted with funds for the benefit of the School's students. Accordingly, School funds, property and other resources must be used for the benefit of the School's students to provide elementary and secondary instruction and to implement the approved open-enrollment charter, as amended.[37]

Sec. 5. PROHIBITED USE OF PUBLIC FUNDS.

The Board and Officers may not pledge or use public funds to secure loans or bonds for any other organization, including a non-charter operation or out-of-state operation conducted by the charter holder or a related party[38] or use public funds to support an operation or activity not related to the educational activities of the School.

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36 *PG-5.001, Sec. 5*
37 *Tex. Educ. Code §§ 12.102(1); 12.107(a)(2); 12.128(a)(2); 19 Tex. Admin. Code §§ 100.1001(21)-(22); 100.1063(a); 100.1091(b)-(c)*
38 *Tex. Educ. Code § 12.1166*

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Sec. 6. FUNDS TO SUPPORT INSTRUCTIONAL PLAN.

The Board and Officers must ensure that funds are used to support the implementation of the School's instructional plan.[39]

Sec. 7. AUTHORITY TO OBLIGATE AND EXPEND.

As established in Policy PG-5.021, Officers and employees may not obligate or expend any funds without the Board's authorization, as set forth in the Adopted Budget, as amended.[40]

Sec. 8. GENERAL REQUIREMENT.

Sec. 8.1. Recognizing that it is impractical to list every conceivable allowable use of funds and that a general framework is beneficial in guiding decisions regarding the use of funds, the School must adhere to the general requirements set forth in this section prior to and when it obligates and expends funds.

Sec. 8.2. The Delegate and Officers must ensure that a proposed use of funds:

(a) Is reasonable in its nature and amount;

(b) Does not violate the prudent person rule;

(c) Is ordinary and necessary to achieve the goals and to implement the strategies and activities of the open-enrollment charter and instructional plan;

(d) Conforms to the School's documented and established practices;

(e) Is generally or specifically allowed by applicable state or federal law, rule or other legal authority;

(f) Is not prohibited by applicable state or federal law, rule or another legal requirement; and

(g) Complies with Board policy and the administrative procedures adopted by the Delegate.

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39 *Tex. Educ. Code §§ 12.102(1); 12.107(a)(2)*
40 *F.A.S.R.G. Module 1 and 2; Tex. Educ. Code § 44.052*

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Sec. 9. GENERALLY AUTHORIZED EXPENSES.[41]

In general, consistent with Section 6 of this policy and Policy PG-5.021, the School is authorized to obligate and expend funds for the following purposes.

(a) To compensate the Superintendent, teachers, janitors and other employees for employment services rendered.

(b) To pay the interest for short-term loans acquired to compensate employees.

(c) To purchase equipment, furniture, materials, software, supplies and vehicles.

(d) To pay for insurance premiums.

(e) To purchase real property for use as a school site pursuant to Board authorization.

(f) To purchase, build, repair and rent school buildings pursuant to Board authorization.

(g) As authorized by the Board, to acquire school buildings and real property by leasing through annual payments with an ultimate option to purchase.

(h) For other purposes necessary in the conduct of the School as determined by the Board including for the following purposes.

(1) To develop and monitor a system of controls to ensure compliance with state and federal laws and rules.

(2) To administer state and Federal grants.

(3) To conduct Board meetings and provide Board members with training.

(4) To procure legal, audit and other professional services necessary for the proper administration and oversight of School.

(5) To record, compile, maintain and report data on student attendance, student enrollment, staff, finances, grants and other functions, programs, services and activities as required by the state and Federal governments.

(6) To develop, maintain and update a charter instructional plan including conducting a comprehensive needs assessment.

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41 *Tex. Educ. Code § 48.105(c)*

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(7) To conduct periodic assessments of students to identify potential learning deficiencies and to measure the students' progress towards desired academic goals.

(8) For the upkeep and repair of facilities and instructional and instructionally related materials and equipment in the classroom and library, of food service equipment, and of vehicles.

(9) To provide breakfast and lunch meals and snacks to students pursuant to the guidelines and requirements of the Texas Department of Agriculture.

(10) To conduct field trips as authorized by the Board.

(11) For athletic and band equipment, instruments and uniforms.

(12) To conduct graduation and award ceremonies recognizing the achievements of students and staff.

(13) To conduct pre/post-employment physicals or drug testing and background checks.

(14) For the research, development and maintenance of curriculum and innovative, new or modified instruction.

(15) For in-service training or staff development for instructional and instructionally related staff conducted by a regional education service center, an outside consultant(s) or a School employee(s).

(16) To travel to conduct official School business.

(17) For utilities and the maintenance of telecommunication and computer networks and systems.

(18) To provide a safe and drug free school environment.

(19) For memberships in civic and professional organizations that further the School's mission.

(20) For any other specifically identified purpose, function, activity, program or service authorized by the Board through the adoption of the School's annual operating budget and charter instructional plan including any amendments thereto.

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(21) For other purposes determined by the Board to be in the best interest of School's students.

Sec. 9.2. For any proposed obligation or expenditure of public funds under Section 9.1(h)(20)-(21) of this policy that may appear to be a violation of the Texas Constitution,[42] the Board and Delegate may seek legal counsel to ascertain if a board resolution is necessary to meet the following requirements:

(a) Identify the public purpose, amount, fund source, return benefit to the School and control(s) for the proposed expense:[43] and

(b) Certify that:

(1) The statutes and regulations applicable to the fund source to be used allow and do not otherwise prohibit the proposed expense;[44]

(2) The predominant purpose of the proposed expense is to accomplish a public purpose[45] and not to benefit private parties;[46]

(3) The proposed expense shall provide a clear, public benefit in return;[47] and

Sufficient control shall be retained over the expense to ensure that the public purpose is accomplished, and a return benefit is received.[48]

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42 *Texas Constitution Art. 3, §§ 44; 50; 51; 52(a); 53; Texas Constitution Art. 11 § 3*

43 *Tex. Att'y Gen.* Op. *No. GA-0076; GA-0743; KP-0099; KP-0204*

44 *See Tex. Att'y Gen. Op. No. GA-0743 (2009) at 2* ("The public purpose served by the expenditure must be an authorized public purpose of the political subdivision.").

45 *See Tex. Att'y Gen. Op. No. GA-0743 (2009) at 2* ("The public purpose served by the expenditure must be an authorized public purpose of the political subdivision."). Thus, to meet this requirement, the Board must reasonably find that the activity to be supported by the proposed expense will yield the return benefit claimed and that said benefit serves the purposes of the open-enrollment charter.

46 *See Tex. Att'y Gen. Op. No. GA-0076 (2003) at 6* ("An expenditure to accomplish a public purpose is constitutional even though it incidentally benefits a private interest.").

47 *See Tex. Att'y Gen. Op. No. KP-0099 (2016) at 5* ("In utilizing this test to evaluate public expenditures, Texas courts have suggested that … (3) what constitutes an adequate return benefit depends on a variety of specific circumstances but is called into doubt if there is such a gross disparity in the relative values exchanged as to show unconscionability, bad faith, or fraud.").

48 *See Tex. Att'y Gen. Op. No. GA-0076 (2003) at 7* ("The school district must place sufficient controls on the expenditure to ensure that its public purpose is accomplished. Contractual terms may provide sufficient control of some expenditures. […] Controls such as application requirements and limits on travel expenditures may be established by the board's exercise of rule-making power.").

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Sec. 10. GENERALLY PROHIBITED EXPENSES.

In general, the School is prohibited from obligating and expending funds for the following purposes.

(a) Alcoholic beverages.

(b) Any good or service for personal benefit or use.

(c) Entertainment, including amusement, diversion, and social activities.[49]

(d) Field trips that are not part of a teacher's lesson plan or that do not meet the instructional objectives of the charter instructional plan.

(e) Fines and penalties levied against individuals.

(f) Gifts, including donations.

Sec. 11. AUTHORIZED USES OF FUNDS FOR SPECIAL PROGRAMS.

In addition to the general requirement and generally authorized expenses enumerated above, the School may use and may allow the use of state funds pertaining to the educational programs established under Texas Education Code Chapter 29 and other state law for the authorized purposes.[50]

Sec. 12. INDIRECT COST LIMITATION.

The School may only use state funds provided for the educational programs under Section 11 of this policy for indirect costs up to the maximum allowed by state law.[51]

Sec. 13. AUTHORIZED USES OF FUNDS FOR FEDERAL PROGRAMS.

The Delegate or designee must use of Federal funds for those purposes authorized by Federal law and rule and the approved grant application, as amended.

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49 *F.A.S.R.G., Update 19 (2024) Module 2, 2.2.2.1 (Social Activities)*
50 *Tex. Educ. Code Chapter 29; 48*
51 *Tex. Educ. Code §§ 48.102(h); 48.105(b); 48.106(c); 48.110(i)*

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Sec. 14. DOCUMENTATION REQUIRED.

The School must prepare and maintain records for all uses of funds that adequately demonstrate compliance with this policy and applicable legal requirements.[52]

Sec. 15. MONITORING AND OVERSIGHT OF BUDGETARY AUTHORIZATION.

The Delegate or designee must regularly monitor and oversee the use of funds through the review and approval of purchase requisitions, purchase orders, payment authorizations, travel authorization requests, travel reimbursement forms, receiving reports, itemized vendor invoices and receipts, and any and all other such original records deemed appropriate and necessary to ascertain if a proposed or actual use of funds constitutes an allowable cost. The Delegate or designee must document monitoring and oversight activities.[53]

Sec. 16. USE OF RESTRICTED PHILANTHROPIC FUNDS.

If a donor restricts a contribution or the School implies or states a specific purpose for its fundraising effort(s), the School may only use the contribution(s) received for the restricted purpose. See Board Policy relating to Fundraising and Gift Acceptance.

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[52] *Tex. Educ. Code §§ 12.1052; 12.115(a)(2); 19 Tex. Admin. Code §§ 100.1051(c)(1)(A)(vi); 100.1039(2)(P); 100.1203(a)(2)*

[53] *Tex. Educ. Code § 12.115(a)(2); 2 CFR § 200.303(a); Standards for Internal Control in the Federal Government, §§ 4.02; 4.05*

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.030, Allowable and Prohibited Uses of Funds, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____
Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the implementation of monitoring activities to ensure the School's compliance with fiscal requirements.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.101 applies to the School's compliance with Federal and state fiscal requirements.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.101.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. GENERAL PRINCIPLES.

The Delegate is charged with developing and implementing the monitoring systems described in this Policy.

Sec. 5. STATE REQUIREMENTS.

The Delegate or designee must develop and implement a system to monitor the School's compliance with the following state requirements.

Sec. 5.1. Financial Solvency. The Delegate or designee must monitor the School's financial solvency through the use of historical, budgeted and projected financial and other relevant data. In developing the monitoring system for financial solvency, the Delegate or designee must consider the impact of the charter instructional plan for the current fiscal year and the long-term strategic plan for the subsequent three (3) fiscal years. Additionally, the Delegate or designee must consider conservative estimates of student enrollment, student attendance, and revenue projections based upon historical data for the last five (5) academic and fiscal years and data for the current and subsequent academic and fiscal year.

Sec. 5.2. Financial Accountability Rating System of Texas (FIRST). The Delegate or designee must monitor the School's finances and operation to attain a favorable FIRST rating. In developing the monitoring system for financial solvency, the Delegate or designee must consider the adequacy

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of the system of internal controls to ensure that it enables the School to achieve compliance with applicable legal requirements. To the degree appropriate and necessary, the Delegate or designee may consult with the School's independent auditor or other qualified professional to identify potential issues that may result in an unfavorable FIRST rating.

Sec. 5.3. Indirect Cost Limitation. The Delegate or designee must monitor the budgeted and actual expenditures for the student-based allotments to ensure that the minimum required amount for each allotment is expended. In developing the monitoring system for limiting the amount of indirect costs charged to each student-based allotment, the Delegate or designee must consider the charter instructional plan and the total amount of common costs incurred to support the School's instructional and instructionally-related program and the special programs required by the state.

Sec. 6. FEDERAL REQUIREMENTS.

The Delegate or designee must develop and implement a system to monitor the School's compliance with the following Federal requirements.

Sec. 6.1. Maintenance of Effort (MOE). The Delegate or designee must monitor the School's finances and operation to ensure that the minimal fiscal effort required by the Federal government for general and special education is attained. In developing the monitoring system for MOE, the Delegate or designee must consider the impact of the charter instructional plan for the current fiscal year.

(a) *General Education*. In assessing the School's compliance with the Federal MOE requirement for programs funded pursuant to the Elementary and Secondary Education Act (aka, Every Student Succeeds Act), the Delegate or designee may consider the impact of exceptional or uncontrollable circumstances or a precipitous decline in financial resources.

(b) *Special Education*. In assessing the School's compliance with the Federal MOE requirement for programs funded pursuant to the Individuals with Disabilities Education Act, the Delegate or designee may consider the impact of changes in staff and student enrollment, the termination of an exceptionally costly program provided to a particular child, the termination of costly expenditures for long-term purchases, and the School's participation in the high cost grant program.

Sec. 6.2. Supplement; Not Supplant. The Delegate or designee must monitor the School's finances and operation to ensure that Federal funds are expended to supplement and not supplant non-Federal sources of funding. In developing the monitoring system for the proper use of Federal funds, the Delegate or designee must consider the charter instructional plan, the approved budget

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and subsequent amendments, the identified needs of the students enrolled in the School, and the actual method of funding for a particular cost for the prior and current academic years.

Sec. 6.3. Excess Cost. The Delegate or designee must monitor the School's finances and operation to ensure that Federal funds are used only to pay the excess costs for students enrolled in the special education program.

Sec. 6.4. Net Cash Resources (Fund Balance). The Delegate or designee must monitor the School Nutrition Program ("SNP") account to ensure that the account does not end the fiscal year with a deficit or excess net cash resources. If the SNP account ends the fiscal year with a deficit, the Delegate or designee must clear the deficit with non-SNP sources. If the SNP account ends the fiscal year with excess net cash resources, the Delegate or designee must immediately take steps to reduce the net cash resources or adopt and implement an acceptable plan for using the excess net cash resources.[54]

Sec. 7. PROJECTION OF POTENTIAL NONCOMPLIANCE.

The Delegate or designee should develop and implement monitoring systems that are based upon the regulatory models implemented by the Texas Education Agency.

Sec. 8. REQUIREMENT TO BE EXCEEDED.

To the degree feasible, the Delegate or designee should develop and implement monitoring systems that include additional data and indicators beyond those used by the Texas Education Agency in its regulatory models.

Sec. 9. DATA TO BE USED.

To the degree feasible, the Delegate or designee should and implement develop monitoring systems that include historical, budgeted, actual and projected data to be periodically updated to include actual, year-to-date data and revised projections.

Sec. 10. MONITORING TIMELINE.

To the degree feasible, the Delegate or designee should develop and implement monitoring systems that produce results at the beginning, middle and end of the fiscal year.

[54] *ARM Section 16 (September 2, 2025)*

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Sec. 11. CORRECTIVE ACTION PLAN.

Upon identifying a potential instance of noncompliance, the Delegate or designee must prepare a plan that addresses the condition(s) that resulted or may result in the School's failure to comply with the fiscal requirements addressed by this policy.

Sec. 12. REPORT TO THE BOARD.

At the beginning, middle and end of the fiscal year, the Delegate must report to the Board the status of the School's compliance with the critical state and Federal fiscal requirements addressed by this policy. If an instance or potential instance of noncompliance is identified, the Delegate must inform the Board of the corrective action plan undertaken or to be undertaken.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.101, Fiscal Compliance Monitoring, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the implementation of a financial management system that conforms with state and Federal requirements.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.102 applies to the School's development, implementation, and maintenance of a financial management system in accordance with state and Federal financial management standards and requirements.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.102.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. FINANCIAL MANAGEMENT SYSTEM DEFINED.

The School's Financial Management System is the system of controls and records that enable the School to use and safeguard funds and property for lawfully authorized purposes in furtherance of its mission and to achieve its vision, consisting of the following components.

Sec. 4.1. Budgetary Control. The Financial Management System facilitates oversight of the School's finances by the Board through:

(a) Documented practices that provide for the maintenance of records of the original budget and budget amendments as approved by the Board;

(b) Approval of obligations and expenses by the Delegate designee(s) not exceeding budgeted amounts approved by the Board unless authorized in Board policy or through a Board approved budget amendment.

(c) Board receipt and review, including accurate, complete and timely updates by the Delegate of compliance with the budget, as amended, to include a comparison of the original and amended budget to the School's actual obligations and expenses.

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Sec. 4.2. Financial Reporting. The Financial Management System must provide accurate, complete and timely information regarding the School's financial condition, results of operations, cash flows and other pertinent matters concerning the School's operations. The Board must receive summary reports at each meeting. The Delegate may utilize summary and detailed reports and records to oversee the School's finances, property and staff resources.

Sec. 4.3. Internal Control. The Financial Management System must include documented controls over assets, liabilities, appropriations, obligations, revenues, expenses, and cash flows to ensure that funds, property, staff resources and other tangible and intangible items of value are used to implement the School's program. The Financial Management System must also include controls over budgeting, contract administration, financial accounting, financial reporting, grant administration, payroll and other functions. The Financial Management System must include controls over records to demonstrate compliance with local policy and Federal and state legal requirements.

Sec. 4.4. Records. The Financial Management System must create and maintain financial accounting and other summary, detailed and source records that account for the School's assets, liabilities, appropriations, obligations, revenues, expenses and cash flows. The records maintained must identify the source and application of funds and the use, custodial assignment and location of property. The records maintained must include sufficiently detailed source documents that function as the origin of the summary and detailed financial and other information disclosed to the public, oversight government agencies, the Board, the Superintendent and other interested parties.

Sec. 5. CHART OF ACCOUNTS.

The School must maintain financial accounting records that utilize the minimum account code structure mandated by the State Board of Education and the Texas Education Agency.[55]

Sec. 5.1. Required Account Codes. The School must utilize the account codes mandated in FASRG Module 3 to account for public funds and public property. As appropriate and necessary, the Delegate may authorize the use of the local option codes and locally defined classifications as provided in FASRG Module 3.

Sec. 5.2. Local Account Codes. Within the mandated account code structure, the Delegate may authorize the development and use of locally defined account codes that facilitate the administration and oversight of non-School functions and activities and the use of local funds and property.

[55] *F.A.S.R.G. Module 2 (2.2.4 Account Code Structure); Module 3*

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Sec. 6. OBLIGATIONS.

The Delegate or designee must authorize any obligation of public funds. Additionally, the Delegate or designee must prepare a financial accounting record(s) that accounts for any obligation of local or public funds through the execution of a contract or the issuance of a purchase order. In authorizing the obligation of local or public funds, the Delegate or designee must determine if the obligation was authorized by the Board in the approved budget, as amended, and through applicable Board policy or resolution.

Sec. 7. DISBURSEMENT FOR GOODS AND SERVICES.

The Delegate or designee must authorize any disbursement of public funds through check, electronic funds transfer, charge or credit account, promissory note, or other means or method of disbursing funds to a third party. Prior to authorizing the disbursement of funds, the Delegate or designee must prepare a sufficiently detailed, original internal accounting record identifying the business-related purpose of the disbursement. Additionally, the Delegate or designee must obtain a sufficiently detailed, original third-party record identifying the goods received or services rendered.

Sec. 8. DISBURSEMENTS FOR EMPLOYMENT SERVICES.

As authorized by the Board through policy or resolution, the Delegate or designee must approve the employment of qualified individuals for Board approved positions. Moreover, the Delegate or designee must prepare sufficiently detailed payroll, personnel and time or activity accounting records to support the use of local and public funds for employment services.

Sec. 9. COMPETITIVE PROCUREMENT.

Pursuant to applicable Federal and state law and rules, the Delegate or designee must ensure that goods and services are procured competitively to ensure that limited financial resources are maximized without unreasonably sacrificing the quality of the goods and services received.

Sec. 10. CONTRACT ADMINISTRATION.

The Delegate or designee must maintain a contract administration process to ensure that contractors deliver goods or provide services in accordance with the terms, conditions, and other legal requirements of the applicable contract or purchase order.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.102, Financial Management System, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to requirements for the proper administration of amounts due to vendors for services rendered.

Sec. 2. APPLICABILITY.

This policy pertains to the payment of invoiced amounts or accounts payable, pertaining to the purchase of goods and services, through the use of local, state, or federal funds.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.110.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. GOOD STANDING.

To ensure that the School remains in good standing with its vendors and that its credit or financial ratings are not adversely affected, the Delegate or designee must issue payments to vendors for invoiced amounts pursuant to this policy and to the agreed-upon terms and conditions noted on the purchase order, executed contract, or invoice.

Sec. 5. AUTHORIZED PAYMENTS FOR AMOUNTS DUE.[56]

Sec. 5.1. The Delegate or designee shall only disburse School funds to a vendor if the following conditions have been met.

(a) The invoice:

(1) Fully identifies the vendor, including the vendor's authorized representative, and said identifying information conforms to that on the purchase order issued by the School to the vendor and/or the executed contract;

(2) Includes an invoice number, date, terms or payment, and payment due date;

[56] *Tex. Educ. Code §§ 12.115(a)(2); 12.1162(a)(2)*

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(3) Is addressed to the School, including the proper mailing address for accounts payable and the address to which goods and/or services were delivered;

(4) References the purchase order number issued and/or contract number; if applicable

a. In the event of an emergency threatening life, health, safety, property, or the continued operation of the School, the Delegate or designee may authorize services before a purchase order is issued. The circumstances of the emergency, vendor selected, amount paid, and justification for the expenditure shall be documented and retained with payment records.

(5) Delineates in sufficient detail the goods and/or services provided to the School, including the quantity and the date that the goods were delivered or the services were rendered;

(6) Identifies the unit price for each item or service provided to the School and the total due for the total quantity delivered or rendered;

(7) Discloses any discounts or rebates and the cost for shipping and handling as separate line items; and

(8) Provides the total amount due.

(b) As applicable, the vendor has filed:

(1) Form W-9,

(2) Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying,

(3) Felony Conviction Disclosure Statement,

(4) Criminal History Record Review Certification,

(5) Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions,

(6) Conflict of Interest Questionnaire (Form CIQ) and any related Conflict of Interest Statements (Form CIS) from officers, directors, employees or agents of the School,

(7) Child Support Certification (Form 1903), and

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(8) Other affidavits, certifications and forms as required by applicable law.

(c) School personnel have confirmed, in writing, that the goods and/or services delineated on the vendor's invoice have in fact been received and there is no cause for dispute.

(d) School personnel have confirmed, in writing, that the terms and conditions of a properly issued purchase order and/or the executed contract have been satisfied, including, but not limited to:

(1) The conformance of the goods and/or services to the agreed-upon specifications;
(2) The quantity of goods and/or services ordered; and
(3) The agreed-upon price per unit.

(e) The vendor did not levy a sales or other tax from which the School is exempt and did not charge a finance fee or other amount to which the School did not previously agree.

(f) The vendor has satisfactorily addressed any concerns or issues identified by School personnel regarding the goods and/or services received and/or the invoiced amount(s).

Sec. 5.2. If the requirements in Section 5.1 of this policy are met, the Delegate or designee may issue payment to the vendor pursuant to the terms set forth in the invoice or as previously agreed-upon in the purchase order or executed contract.

Sec. 6. DEFECTIVE INVOICE.

The Delegate or designee must return any invoice that fails to conform to the requirements of Section 5.1 of this policy. In doing so, the Delegate or designee must issue written notice to the vendor along with the defective invoice describing the defect(s) and requesting the issuance of a new invoice and requiring that a revised due date for the invoiced amount(s) be provided.

Sec. 7. INVOICE REVIEW AND APPROVAL.[57]

Sec. 7.1. The Delegate or designee may only issue payment to a vendor for an invoice meeting the requirements of Section 5.1 of this policy after it has been reviewed and approved by the Delegate or designee. If the requirements of Section 5.1 have been satisfactorily addressed, the Delegate or designee may issue payment to the vendor in the most administratively expeditious manner if the invoice amount is less than $1,000. Invoices equal to or greater than $1,000 may be paid by check, ACH, EFT, wire transfer, purchasing card, credit card, or other approved electronic payment

[57] *Tex. Educ. Code §§ 12.115(a)(2); 12.1162(a)(2)*

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method, provided that such payment method complies with the School's internal control procedures, approval requirements, and Board policy.

Sec. 7.2. The Delegate or designee must have any invoice for construction services relating to a public works contract reviewed by the School's third-party architect, engineer, construction management consultant, or other qualified advisor. The reviewer shall document approval of the invoice in writing, which may include a signed invoice, pay application certification, inspection report, approval memorandum, email approval, or other written documentation acceptable to the School. A written recommendation shall be required when the reviewer identifies concerns, exceptions, disputed amounts, or recommends withholding payment.

Sec. 8. PREPAID ITEMS.[58]

The Delegate or designee may prepay an amount to a vendor but must account for such prepaid items in accordance with generally accepted accounting principles, state and federal fiscal requirements, and Board policy. Generally, the Delegate or designee may only prepay an amount from funds appropriated by the Board for the current fiscal year.

Sec. 9. COMMUNICATION WITH VENDORS.

School personnel must document all communications with vendors regarding the vendor's invoice(s) including concerns relating to price, quality, quantity, type, and other agreed-upon terms or conditions.

Sec. 10. DISBURSEMENT FROM PROPER FUND SOURCE.

The Delegate or designee must disburse funds from a fund source to the vendor for an invoiced amount(s) if the goods and/or services received were:

(a) For an activity authorized by applicable law and rule;
(b) For an allowable use of funds, as established under applicable law and rule; and
(c) In compliance with other applicable law, rule and policy.

Sec. 11. DISBURSEMENT TO VENDORS.

The Delegate or designee may only issue payment to a vendor's mailing address or directly into the vendor's bank account.

[58] *Tex. Educ. Code §§ 12.107(a); 12.115(a)(2); 12.1162(a)(2); 19 Tex. Admin. Code §§ 100.1063(a); 100.1067(b)*

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Sec. 12. RECORDS.[59]

The Delegate or designee must create, obtain, and maintain adequate and sufficient records to support the disbursement of School funds to a vendor.

[59] *Tex. Educ. Code §§ 12.1052; 12.115(a)(2); 12.1162(a)(2); 19 Tex. Admin. Code §§ 100.1051(c)(1)(vi); 100.1051(2)(P); 100.1203(a)(2)*

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.110, Accounts Payable, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____

Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the administration of Federal awards.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.120 applies to the School's administration of Federal awards of financial assistance received from the Texas Education Agency ("TEA"), U.S. Department of Education, Texas Department of Agriculture, and other Federal and state agencies.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.120.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. FEDERAL AWARD DEFINED.

For purposes of this Policy PG-5.120, "Federal award" and "grant" means the Federal financial assistance that a recipient receives directly from a Federal agency or indirectly from a pass-through entity pursuant to a grant agreement or cooperative agreement, as applicable.[60]

Sec. 5. FINANCIAL MANAGEMENT SYSTEM.

See Board Policy PG-5.102, Financial Management System.

Sec. 6. RESPONSIBILITY FOR GRANT ADMINISTRATION.

Sec. 6.1. Financial Management. The Delegate or designee shall bear responsibility for the following financial management activities:

(a) Maintaining fiduciary and financial responsibility over each Federal award.

[60] *2 C.F.R. § 200.1*

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(b) Maintaining accurate and complete contemporaneous financial accounting records for each Federal award, including the use of grant funds and property and the maintenance of employee time accounting records.

(c) Reviewing and approving the budget for each grant, including budget amendments.

(d) Ensuring compliance with applicable law, rule, and grant requirement governing grant financial management, including the appropriate expenditure of grant funds.

(e) Ensuring the lawful procurement of goods and services with grant funds.

(f) Timely preparing and submitting accurate and complete expense reports for the reimbursement or advanced payment of grant expenses.

(g) Liaising with external auditors to coordinate the conduct of the annual audit and other audits.

(h) Reporting to the Board and the Finance Committee the results of the annual and other audits.

(i) Performing other duties and responsibilities necessary to ensure fiscal compliance with applicable law, rule and grant requirement.

Sec. 6.2. Program Management. Each grant shall have a manager assigned who shall be responsible for:

(a) Initiating, planning, preparing, filing, and negotiating grant applications, including conducting a needs assessment, developing goals, strategies, and performance measures, and preparing the grant budget.

(b) Monitoring grant program implementation to ensure that grant terms and conditions are met and that grant goals are attained.

(c) Ensuring compliance with applicable law, rule, and grant requirement governing grant program activities.

(d) Identifying, preparing and proposing amendments to the approved grant program to address changed circumstances.

(e) Monitoring, assessing, and ensuring that individuals and entities awarded a contract supported with grant funds comply with the contract terms and conditions.

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(f) Initiating, planning, and conducting evaluations, surveys and studies to recommend adjustments to the grant program and to submit required evaluations and reports to the grantor.

(g) Preparing and submitting grant reports.

(h) Performing other duties and responsibilities necessary to yield a successful outcome for the grant program.

Sec. 6.3. Audits. The Chief Financial Officer shall be responsible for:

(a) Liaising with external auditors to coordinate the conduct of the annual audit and other audits.

(b) The Superintendent shall review significant audit findings and corrective action plans before presentation to the Board and Finance Committee.

(c) Reporting to the Board and the Finance Committee the results of the annual audit and other audits.

Sec. 7. GRANT ACCOUNTING RECORDS.

For each grant, the Delegate or designee shall maintain the following records:

(a) Notice of Grant Award (NOGA), Grant Award Notice (GAN), or equivalent.

(b) The approved grant application and approved amendments, including any guidelines, assurances, provisions, and other stipulations in effect during the grant period.

(c) Communications with grantor, including call logs, emails, and negotiation notes.

(d) Grant expenditure, evaluation, and programmatic reports.

(e) All accounting, administrative, business, charge or credit, contract, finance, disbursement, payroll, personnel, procurement, time accounting, and other records that support the use of grant funds.

Sec. 8. ALLOWABLE AND PROHIBITED USES OF FUNDS.

Sec. 8.1. In General. *See* Board Policy PG-5.030, Allowable and Prohibited Uses of Funds.

Sec. 8.2. Prudent Person Rule. *See* Section 7 of Board Policy PG-5.001.

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Sec. 8.3. Abuse and Waste Prohibited. *See* Section 8 of Board Policy PG-5.001.

Sec. 8.4. Factors Affecting Allowability of Costs. School officers and employees shall ensure that the costs incurred conform to the following criteria to be allowable under the Federal award:

(a) Be reasonable and necessary for the performance of the grant program.

(b) Be allocable to the Federal award, in accordance with the Federal Cost Principles.[61]

(c) Conform to any limitations or exclusions set forth in the Federal Cost Principles or in the grant agreement or cooperative agreement as to types or amount of cost items.

(d) Be consistent with the School's policies and procedures that apply uniformly to both federally financed and other activities of the School.

(e) Be accorded consistent treatment.

(f) Be determined in accordance with generally accepted accounting principles.

(g) Not be included as a cost or used to meet cost sharing requirements of any other federally financed program in either the current or a prior period.

(h) Be incurred during the approved budget period, unless otherwise allowed.

(i) Be adequately documented.[62]

Sec. 8.5. Reasonable Costs. In determining if an expenditure or cost is reasonable, School officers and employees shall adhere to the prudent person rule. Moreover, School officers and employees shall consider the following factors.

(a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the School or the proper and efficient performance of the grant program. Importantly, School officers and employees must follow the accepted practices of Texas public schools relating to the use of grant funds.

(b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local and other laws and regulations; and terms and conditions of the grant agreement or cooperative agreement.

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61 *2 C.F.R. Part 200, Subpart E, Cost Principles*
62 *2 C.F.R. § 200.403*

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(c) Market prices for comparable goods or services for the geographic area.

(d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the School, its employees, its students, the public at large, and the Federal Government.

(e) Whether the cost represents a deviation from the School's established written policies and procedures for incurring costs. [63]

Sec. 8.6. Allocable Costs. In determining if a cost is allocable to a Federal grant, School officers and employees may assign the cost to the Federal award if the cost:

(a) Is incurred specifically for the Federal award;

(b) Benefits both the Federal award and other work of the School and can be distributed in proportions that may be approximated using reasonable methods; or

(c) Is necessary to the overall operation of the School and is assignable in part to the Federal award in according with the Federal Cost Principles.[64]

Sec. 8.7. Standards for Documentation of Personnel Expenses. To support payroll costs charged to a grant, the Delegate or designee shall maintain records that accurately reflect the work performed by employees and that conform to the following requirements:

(d) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

(e) Be incorporated into the School's official records.

(f) Reasonably reflect the total activity for which an employee is compensated by the School, not exceeding 100% of compensated activities.

(g) Encompass federally-assisted and all other activities compensated by the School on an integrated basis.

(h) Comply with the School's established accounting policies and practices.

(i) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on:

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63 *2 C.F.R. § 200.404*
64 *2 C.F.R. § 200.405*

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(1) More than one Federal award;

(2) A Federal award and non-Federal award;

(3) An indirect cost activity and a direct cost activity;

(4) Two or more indirect activities which are allocated using different allocation bases; or

(5) An unallowable activity and a direct or indirect cost activity.[65]

Sec. 8.8. Budget Estimates. The Delegate or designee must not use budget estimates, or estimates determined before the services are performed, alone to support charges to a Federal award. However, the Delegate or designee may use budget estimates for interim accounting purposes, provided that the following requirements are met:

(a) The system for establishing the estimates produces reasonable approximations of the activity performed.

(b) Significant changes in the corresponding work activity are promptly identified and entered into the records.

(c) The School's system of internal controls includes processes to perform periodic after-the-fact reviews of interim charges made to a Federal grant based on budget estimates.

(d) All necessary adjustments are made such that the final amount charged to the Federal grant is accurate, allowable, and properly allocated.[66]

Sec. 8.9. General Costs. Federal funds may not be used for general costs of the School normally incurred to provide instruction to students at one or more elementary or secondary grade levels as provided by the charter, unless authorized as a direct cost under a Federal program statute or regulation.[67]

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65 *2 C.F.R. § 200.430(g)(1)(i)-(vi)*
66 *2 C.F.R. § 200.430(g)(1)(vii)*
67 *2 C.F.R. § 200.444*

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Sec. 9. SUPPLEMENT NOT SUPPLANT.

In accordance with applicable Federal law for the pertinent Federal grant program, the Delegate or designee shall ensure that the School uses Federal grant funds to supplement, and not supplant, Federal, state, and local funds.[68]

Sec. 10. CASH MANAGEMENT.

The Delegate or designee shall implement a system of internal controls that provides for the periodic and timely draw down of grant funds to reasonably coincide with the disbursement of School funds to pay for grant expenses. Importantly, with respect to Federal grants, the Delegate or designee must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the School. The Delegate or designee shall maintain a record of all draw down requests and the corresponding costs charged to the grant program.[69]

Sec. 11. FINANCIAL OBLIGATIONS.

With respect to the use of grant funds, financial obligations are orders issued for property and services, contracts made, and similar transactions that require payment.[70] The Delegate or designee shall ensure that all financial obligations are made in accordance with applicable law and rule, are recognized when made, and are recorded in the School's financial accounting records as encumbrances.[71]

Sec. 12. PRIOR WRITTEN APPROVALS.

As appropriate and necessary, the Delegate or designee may seek the prior written approval of the oversight agency before incurring the cost for which the reasonableness or allocability of the cost to a Federal award is difficult to determine. Importantly, when required by the Federal statute or regulations or the terms and conditions of the grant agreement or cooperative agreement, the Delegate or designee must obtain prior written approval of a cost before it is incurred and charged to a Federal award.[72]

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68 *20 U.S.C. § 1413(a)(2)(A)(ii); 6321(b)*
69 *2 C.F.R. § 200.305(b)*
70 *2 C.F.R. § 200.1*
71 *2 C.F.R. § 200.302(b)(2)-(3)*
72 *2 C.F.R. § 200.407*

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.120, Grant Accounting, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the use of public funds for travel activities.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.130 applies to the School's use of public funds for travel activities.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Controlling Policy. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.130.

Sec. 3.2. Delegate and designee. See PG-5.001, Section 3.2 and Section 4.

Sec. 3.3. Prudent Person Rule. See Policy PG-5.001, Section 7.

Sec. 3.4. Abuse and Waste Prohibited. See Policy PG-5.001, Section 8. Importantly, School employees must use discretion when making travel arrangements to conserve the School's limited financial and other resources.

Sec. 4. DEFINITIONS.

For purposes of this policy, the following terms have the meanings provided in this Section 4.

Sec. 4.1. Cocurricular activities are School sponsored activities that directly add value to classroom instruction and curriculum.[73]

Sec. 4.2. Commercial lodging establishment means a motel, hotel, inn, apartment, house or similar establishment that provides lodging to the public for pay.[74]

Sec. 4.3. Duty point means the destination, other than a place of employment, to which a School employee travels to conduct official School business.[75]

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[73] *F.A.S.R.G., Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H*
[74] *Textravel (Definitions) (September 12, 2025)*
[75] *Ibid.*

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Sec. 4.4. Extracurricular Activities means School sponsored activities outside of the school day that are generally ones designed to motivate students and provide them with enjoyment and skill improvement in either a competitive or noncompetitive setting.[76]

Sec. 4.5. Incidental expense means an expense incurred while traveling on official state business[77] except for a meal, lodging or transportation expense, a personal expense, an expense that an individual would incur regardless of whether the individual was traveling on official School business, a tip or a gratuity.[78] *Incidental expense* also excludes expenses for laundry, cleaning and pressing of clothing, lodging taxes, costs of telegrams or telephone calls, transportation between places of lodging or business and places where meals are taken, or the mailing cost of filing travel vouchers and paying employer-sponsored charge card billings.[79]

Sec. 4.6. Officer is defined in Policy PG-5.001, Section 5.

Sec. 4.7. Place of employment means the office or other physical location at which a School employee most frequently conducts official School business.[80] Additionally, the employee's place of employment includes the entire city or general area in which the employee's office or other physical location is located.[81] If a School employee has more than one place of work, the following factors are determinative of which one is the employee's main place of work:

(a) The total time the employee ordinarily spends at each place;
(b) The level of the employee's business activity in each place; and
(c) Whether the employee's income from each place is significant or insignificant.[82]

Sec. 4.8. Sponsor means a School employee who is primarily responsible for student travel and includes teachers and coaches.

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76 *F.A.S.R.G. Module, Update 19 (2024), 3.3 Function Codes*
77 Examples include gasoline for a rental car, airport or other parking, toll road fees, and fees for business-related long-distance calls.
78 *Textravel (Definitions) (September 12, 2025)*
79 *I.R.S. Publication 463*
80 *Ibid*.
81 *Ibid*.
82 *Ibid*.

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Sec. 5. ALLOWABLE AND PROHIBITED USES OF FUNDS.

See the Policy PG-5.030 relating to Allowable and Prohibited Uses of Funds.

Sec. 6. SOCIAL ACTIVITIES.

See the Policy PG-5.030 relating to Allowable and Prohibited Uses of Funds.

Sec. 7. GENERAL.

Sec. 7.1. The School must reimburse employees for reasonable and necessary travel expenses that do not exceed the maximum amounts allowed under this policy. Moreover, the School must only reimburse employees for travel expenses incurred only if the purpose of the travel clearly involves official School business as authorized under applicable legal authority.[83]

Sec. 7.2. The School must minimize the amount of travel expenses reimbursed by ensuring that each travel arrangement is the most cost-effective considering all relevant circumstances.[84]

Sec. 7.3. School employees must plan their travel in advance to minimize the total cost of travel. Generally, employees should make their travel arrangements once the business purpose for their travel has been confirmed and is not subject to change and in a manner that provides with flexibility and avoids costs that may arise as a result of a sudden and unanticipated circumstance or event.

Sec. 7.4. Section 7.3 of this policy notwithstanding, the School must reimburse employees for costs incurred for which flexibility could not be arranged and resulting from a sudden and unanticipated circumstance or event. See Section 21 of this policy.

Sec. 7.5. School employees should select the most cost effective, and not the most convenient, method of transportation available.[85]

Sec. 7.6. School employees must not conduct personal travel to coincide with business travel and vice versa.

Sec. 7.7. School employees are responsible for adequately and clearly documenting the business purpose of their travel to support the expenses incurred.

Sec. 7.8. School employees must submit their travel reimbursement requests within ten (10) business days after the date they return from conducting official School business.

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83 *Textravel (Official State Business) (September 12, 2025)*
84 *Textravel (Conservation of State Funds) (September 12, 2025)*
85 *Textravel (Transportation) (September 12, 2025).*

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Sec. 7.9. The School must not reimburse an employee for any expenses incurred that do not pertain to official school business, do not conform to Board policy, or violate applicable law.

Sec. 7.10. The School must not reimburse an employee for travel expenses that are not accurately and completely itemized and documented as required by this policy and applicable legal requirements.

Sec. 7.11. The School must not reimburse an employee for the travel expenses of spouses and other persons who have no responsibilities or duties to perform for the School.

Sec. 7.12. The School must not reimburse any person[86] who is not an employee and who incurs travel expenses except as agreed-upon in a written, fully executed agreement between the person and the School.

Sec. 8. STUDENT TRAVEL.

Sec. 8.1. Purpose of Off-Campus. Campus principals and sponsors must plan any off-campus activity to align with classroom instruction or a goal and strategy adopted in the campus instructional plan.

Sec. 8.2. Instructional Trips. Sponsors must obtain approval from the campus principal for any activity conducted off campus during an instructional day. Campus principals and sponsors must document the purpose of instructional trips and how said trips enhance student learning in the pertinent instructional plan. For purposes of this policy, instructional trips conforming with this Section 8.2 and taken during the scheduled class day or course period will be deemed cocurricular activities.

Sec. 8.3. Extracurricular Trips. Sponsors must obtain approval from the campus principal for any activity conducted off campus outside of the instructional day. Upon approval, students and sponsors may travel to actively participate in an extracurricular activity.

Sec. 8.4. Duration of Trips. Generally, campus principals and sponsors must commence and conclude travel for any activity conducted off campus on the same day. The Delegate or designee must approve any trips requiring an overnight stay.

Sec. 8.5. Out-of-Country Trips. School employees must obtain the Board's approval for any out-of-country travel before making any arrangements.

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[86] For purposes of this policy, *person* means a natural person or a corporation, partnership, limited liability company, business trust, trust, association, or other organization, estate, government or governmental subdivision or agency, or other legal entity, or a series of a domestic limited liability company or foreign entity.

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Sec. 8.6. Out-of-State Trips. School employees must obtain approval from the Superintendent for any out-of-state travel before making any arrangements.

Sec. 8.7. Written Consent Required. Students must not be allowed to participate in any activities that require travel of any kind without the written consent of the student's parent or legal guardian.

Sec. 8.8. Consent Form. The School must use a consent form that includes all of the following information:

(a) Student's name.
(b) Student's campus, classroom, and teacher's name.
(c) Name of student's parent or legal guardian authorizing the student's participation and emergency contact information.
(d) Description of activity, including destination, itinerary, and mode of transportation.
(e) Costs and expenses (if any).
(f) Authorization for medical emergency.
(g) Hold harmless, indemnification, or release clause.

Sec. 8.9. Lodging. Campus principals and sponsors must arrange for sponsors, students and chaperones to stay overnight at a hotel closest to the off-campus activity. If a student(s) is eliminated from continued participation in the off-campus activity, the sponsor must ensure that the student(s) returns home and must cancel any lodging arrangements.

Sec. 8.10. Required Documentation. Sponsors must submit an internal accounting record disclosing the travel expenses paid and the original, third-party itemized receipts for any travel expenses paid.

Sec. 8.11. Meal Receipts. The Delegate or designee may require original, third-party itemized receipts for any meal expenses.

Sec. 9. TRAVEL BY COMMERCIAL AIR TRANSPORTATION.[87]

Sec. 9.1. School employees may only travel by commercial air transportation at the lowest available airfare between the employee's place of employment and the employee's duty point.

Sec. 9.2. The Delegate or designee may only reimburse an employee for the actual cost of commercial air transportation at the lowest available airfare between the employee's place of employment and the employee's duty point.

[87] *Textravel (Transportation; Commercial air transportation) (September 12, 2025)*

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Sec. 10. TRAVEL BY GROUND TRANSPORTATION.

The School may reimburse employees only for the following modes of ground transportation.

Sec. 10.1. Employer Provided Vehicle. The School may provide an employee with one of its vehicles to be used exclusively for official business travel. The School may only provide such a vehicle for the period that the employee is required to travel for official business.

Sec. 10.2. Personal Vehicle.[88]

Sec. 10.2.1. School employees may use their personal vehicles to travel on official business.

Sec. 10.2.2. The School may reimburse an employee for the use of their personal vehicle in an amount not to exceed the maximum mileage reimbursement rate approved by the Texas Comptroller of Public Accounts applied to the total number of miles traveled for official business.

Sec. 10.2.3. The total number of miles traveled for official business must be based upon the most cost-effective, reasonably safe route between an employee's origin of travel and the final duty point.

Sec. 10.2.4. The School may only reimburse an employee for the use of their personal vehicle to travel from their residence or place of employment to the airport if they commence their travel outside of their scheduled work hours. The School may only reimburse the employee for the cost of one (1) trip to and from the airport.

Sec. 10.2.5. Travel between an employee's private residence and place of employment (commuting) is not a reimbursable travel expense.

Sec. 10.2.6. In accordance with applicable state law, School employees must maintain adequate automotive insurance for any personal vehicles used for business travel.

Sec. 10.3. Rental Vehicles.

Sec. 10.3.1. School employees may rent vehicles to conduct official School business provided that the travel expense does not exceed the cost for any other mode of transportation.

Sec. 10.3.2. School employees traveling together may rent a standard-sized or full-size car. School employees traveling by themselves may only rent an economy or intermediate-sized car. School employees may not rent sport utility, premium, elite, luxury or other similarly classed vehicles.

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[88] *Textravel (Transportation; Mileage in personal vehicle) (December 28, 2021).*

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Sec. 10.3.3. School employees must present Form 14-305, "Motor Vehicle Rental Tax Exemption Certificate", in order to avoid being charged the Texas motor vehicle gross rental receipts tax.

Sec. 10.3.4. School employees must report any vandalism, thefts or accidents of a rental car to the rental car agency and local law enforcement and must obtain copy of the police report filed.

Sec. 10.3.5. The School may reimburse an employee for the actual cost of transportation by bus, limousine, network transportation driver (e.g., Uber), taxi, or other similar mode of transportation if incurred to conduct official business and if it was the most cost-effective mode of transportation available considering all relevant circumstances.[89]

Sec. 11. LODGING.

Sec. 11.1. The School may only reimburse an employee for the actual cost incurred at a commercial lodging establishment not to exceed the maximum lodging reimbursement rate authorized by the Texas Comptroller of Public Accounts,[90] except as provided under Section 13.2 of this policy.

Sec. 11.2. The School may reimburse an employee for actual lodging expenses incurred for no more than the night before official business begins and the night after official business ends.[91]

Sec. 11.3. School employees attending conferences and training may stay at the conference hotel or conference partner hotels. However, the School may only reimburse the employee as set forth in Section 11.1 of this policy.

Sec. 11.4. Employees are responsible for canceling hotel and other arrangements if a trip is cancelled and for presenting a Form 12-302, "Texas Hotel Occupancy Tax Exemption Certificate" to the commercial lodging establishment during the check in process.

Sec. 12. MEALS.[92]

Sec. 12.1. The School may only reimburse an employee for actual meal expenses incurred, not to exceed the maximum meal reimbursement rate for the duty point authorized by the Texas Comptroller of Public Accounts, on a day that the employee conducts official School business outside of the employee's place of employment, as defined at Section 4.3 of this policy, for at least six (6) consecutive hours.

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89 *Textravel (Transportation; Mass Transit, Taxi or Limousine) (September 12, 2025)*
90 *Textrvel (Meals and Lodging; Lodging; Lodging reimbursements) (September 12, 2025)*
91 *Textravel (Meals and Lodging; Lodging) (September 12, 2025)*
92 *Textravel (Meals and Lodging; Meals) (September 12, 2025)*

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Sec. 12.2. The School's maximum meal reimbursement rate is not a per diem. Accordingly, an employee may only claim the maximum meal reimbursement rate if the employee's actual meal expenses equal or exceed the maximum meal reimbursement rate.

Sec. 12.3. An employee whose duties require the employee to travel outside the employee's place of employment without an overnight stay away from the employee's place of employment may be reimbursed for the actual cost of the employee's meals not to exceed thirty-six dollars ($36.00).[93]

Sec. 13. MAXIMUM ALLOWABLE TRAVEL RATES.

Sec. 13.1. Officers and employees may only be reimbursed for the actual cost of lodging and meals. However, the reimbursements may not exceed the maximum allowable meals and lodging rates based on the federal travel regulations issued by the United States General Services Administration and as authorized by the Texas Comptroller of Public Accounts.[94]

Sec. 13.2. Upon receipt of a written request, the Delegate may approve a higher lodging rate if it is determined that local conditions necessitate an increase in the lodging rate for a particular location.[95]

Sec. 14. ADVANCE.

Sec. 14.1. Upon receipt of a written request, the Delegate or designee may authorize that an employee receive the estimated travel expenses in advance.

Sec. 14.2. The employee must submit a travel expense report itemizing the use of the advanced payment.

Sec. 14.3. The School may reimburse the employee any additional travel expenses incurred provided that the amounts paid do not exceed the maximum allowable travel rates pursuant to Section 13 of this policy and are supported in accordance with Sec. 16 of this policy.

Sec. 14.4. The employee must refund to the School any advanced payment received in excess of the total travel expenses incurred, paid and documented by the employee.

Sec. 14.5. The School must report to the IRS any amount advanced to the employee as taxable income if the employee fails to comply with this Section 14.

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93 *General Appropriations Act, Article IX, Part 5, Sec. 5.05(b)*
94 *General Appropriations Act, Article IX, Part 5, Sec. 5.05(a)(1)*
95 *Textravel (Meals and Lodging; Lodging; Requesting a Higher Maximum Lodging Reimbursement Rate) (September 12, 2025)*

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Sec. 15. REQUEST FOR REIMBURSEMENT OF TRAVEL EXPENSES.

Sec. 15.1. Required Filing. Upon their return to their place of employment, employees must file a request for reimbursement of travel expenses form and the required supporting documentation, as established under Section 16 of this policy, except as otherwise provided below, within ten (10) business days.

Sec. 15.2. Required Content. Employees must prepare a Request for Reimbursement of Travel Expenses form that includes the following information:

(a) The employee's full, legal name, identification number, and place of employment.

(b) The travel destination and dates of travel.

(c) The actual amounts expended by the employee for lodging, meals, mileage for personal vehicle driven, parking, transportation, and other travel-related expenses.

(d) The amount of the travel advance received by the employee, if any, and a reconciliation of the travel advance amount with the actual travel expenses incurred.

(e) A statement certifying that the employee's request is accurate, complete and true.

(f) A statement certifying that the supporting documents attached to the form are accurate, complete, true and unaltered records.

(g) The employee's signature and date of signature.

Sec. 16. REQUIRED SUPPORTING DOCUMENTATION.[96]

Sec. 16.1. Original, Unaltered Records. For each expense, an employee must attach original, legible, and unaltered records issued by the vendor that provides sufficient detail to substantiate the expenses reported on the Request for Reimbursement of Travel Expenses form and to demonstrate that the cost incurred is allowable pursuant to this policy and applicable law.

Sec. 16.2. Duplicate Record. Occasionally, an employee may submit a copy of an original record provided that a signed and dated statement is attached to the replica representing that the duplicated record is an accurate, complete, and true facsimile of the original record and that the copy is not a fraudulent version of the original record.

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[96] *Tex. Educ. Code § 12.115(a)(2); I.R.S. Publication 463 (Chapter 5: Recordkeeping); Textravel (Documentation Requirements) (December 28, 2021)*

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Sec. 16.3. Electronic Versions. An employee may submit an electronic version of a required record provided that all required information is disclosed thereon as provided in this policy.

Sec. 16.4. Failure to Attach. The Delegate or designee may not reimburse an employee for an expense if the employee does not attach a record conforming to the requirements of this Section 16.

Sec. 16.5. Commercial Air Transportation. An employee must provide a passenger receipt issued by a commercial airline company or an itinerary that includes:

(a) the name of the employee and airline,
(b) the ticket number,
(c) the class of transportation,
(d) the travel dates,
(e) the amount of the airfare, and
(f) the origin and destination of each flight.

Sec. 16.6. Employer Provided Vehicle. An employee must maintain and provide a log that includes the following information:

(a) Employee's full, legal name.
(b) Employee's place of employment.
(c) Vehicle identification number and license plate number.
(d) For each date that the vehicle is driven:

    (1) Date that vehicle was used;
    (2) Full description of the duty point or other destination;
    (3) Business purpose of vehicle use;
    (4) Starting odometer reading;
    (5) Ending odometer reading; and
    (6) Miles driven.

(e) Statement attesting to the accuracy and completeness of the information recorded.
(f) Employee's signature.
(g) Date employee signed the log.[97]

Sec. 16.7. Personal Vehicle. An employee must provide the total number of miles traveled as determined by a sufficiently detailed point-to-point itemization, which may be documented by an employee's vehicle odometer readings or by a readily available online mapping service. If an

[97] *I.R.S. Publication 463, Chapter 5, Recordkeeping.*

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online mapping service is used, the employee must provide a copy of the online map, including route directions and mileage.[98]

Sec. 16.8. Rental Vehicles. An employee must provide a receipt and/or rental contract that includes the following information:

(a) the rental company name;
(b) the renter's name;
(c) the starting and ending dates of the rental; and
(d) an itemization of expenses incurred.[99]

Sec. 16.9. Other Ground Transportation. For transportation by bus, limousine, network transportation driver (e.g., Uber), taxi, or other similar mode of transportation, an employee must provide an itemized receipt for that includes the following information:

(a) the name of the company,
(b) the date that the service was received, and
(c) the fare charged.[100]

Sec. 16.10. Lodging. An employee must provide an itemized receipt or statement issued by the commercial lodging establishment that includes the following information:

(a) The name and address of the commercial lodging establishment,
(b) The name of the employee,
(c) The single room rate,
(d) The date(s) that the employee stayed overnight at the establishment,
(e) A daily itemization of the lodging charges, and
(f) Proof of payment.[101]

Sec. 16.11. Incidental Expenses. For an incidental expenses, an employee should provide an original, itemized third-party receipt.[102] Otherwise, an employee must provide an itemization of the incidental expenses incurred.[103]

Sec. 16.12. Training Events. If the travel expenses relate to a training event, an employee must provide a certificate of attendance, certificate of completion, or other equivalent document

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98 *Textravel (Documentation Requirements; Mileage) (September 12, 2025)*
99 *Textravel (Documentation Requirements; Transportation; Rental of Motor Vehicles) (September 12, 2025)*
100 *Textravel (Documentation Requirements; Transportation; Travel by Mass Transit (Bus, Subway), Taxi or Limousine) (September 12, 2025)*
101 *Textravel (Documentation Requirements; Lodging Expenses) (September 12, 2025)*
102 *IRS Publication 463, Chapter 1, Travel (Standard Meal Allowance)*
103 *Textravel (Documentation Requirements; Incidental Expenses) (September 12, 2025)*

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demonstrating that the employee attended the conference, seminar, workshop, or other training event.

Sec. 17. REVIEW BY DELEGATE.

Upon receiving an employee's Request for Reimbursement of Travel Expenses form and required supporting documentation, the Delegate or designee must review and approve or disapprove an employee's request for reimbursement and issue a final determination of the total reimbursement amount due to the employee. If disapproved, the Delegate or designee must inform the employee in writing of the amount(s) that were disallowed and the basis for the disallowance.

Sec. 18. REVIEW BY BOARD.

Reimbursement requests submitted by an Officer shall be reviewed and approved by the Board Chair or the Chair of the Finance Committee prior to payment. Approved reimbursements shall be reported to the full Board at the next regular meeting.

Sec. 19. APPLICABILITY OF STATE TRAVEL RULES.

Except as otherwise established in this policy, the travel requirements promulgated by the Texas Comptroller of Public Accounts do not apply.

Sec. 20. ELIGIBLE EXPENSES.[104]

Sec. 20.1. An employee may be reimbursed for the following eligible expenses:

(a) Common carrier fares for coach or regular passenger seating, including the cost of transportation via airplane, bus, limousine, network transportation driver (e.g., Uber), taxi, and train.

(b) Charges for excessive baggage as long as the travel is related to state business and the charges are reasonable and the number of bags was necessary.

(c) Commercial lodging rates up to the maximum allowable rate.

(d) Hotel occupancy taxes.

(e) Rental car rate, applicable taxes, and mandatory charges.

[104] *Textravel (September 12, 2025)*

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(f) Collision damage waiver or loss damage waiver if not included in the School's insurance policies.

(g) Maximum mileage reimbursement rate applied to the actual mileage driven to conduct official School business.

(h) Actual cost of meals not to exceed the maximum allowable rate.

(i) Actual cost of incidentals for which a record conforming to Section 16.11 of this policy is provided.

Sec. 20.2. Also, see Sections 5, 6 and 7 of this policy.

Sec. 21. CANCELLATION CHARGES.[105]

An employee may be reimbursed for a cancellation charge, related to a travel expense, if the charge was incurred:

(a) For a reason related to School business, or

(b) For a reason related to School business that could not be conducted because of a natural disaster, or

(c) Because the employee was unable to use transportation that was paid in advance to obtain a cost savings because that employee was ill or had a personal emergency.

Sec. 22. INELIGIBLE EXPENSES.

Sec. 22.1. An employee may not be reimbursed for a cost if it is not authorized or is prohibited by applicable law, rule, or other legal requirement and does not conform to the requirements set forth in this policy.

Sec. 22.2. An employee may not be reimbursed for the following ineligible expenses:

(a) Alcoholic beverages.

(b) Business or first-class seating.

(c) Entertainment of any kind including, but not limited to, sporting or music venues. See Section G of this policy.

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[105] *Textravel (Miscellaneous Provisions; Cancellation Charges) (September 12, 2025)*

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(d) Fines, including, but not limited to, fines assessed for parking or moving violations.

(e) Gratuities or tips.

(f) Membership fees.

(g) Mileage for commuting between an employee's private residence and place of employment.

(h) Personal travel costs, including personal travel that is coordinated with travel relating to official School business.

(i) Reading materials.

(j) Room service, laundry, personal phone calls, internet service for personal use, in-room movies, etc.

(k) Toiletries.

(l) Travel insurance.

(m) Travel for spouses, family members, the employee's companion(s), the employee's children, non-charter school employees, or other acquaintances, associates or guests.

(n) Valet services.

Sec. 22.3. Also, see Sections 5, 6 and 7 of this policy.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.130, Travel, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the receipt and use of activity funds.

Sec. 2. APPLICABILITY.

This policy pertains to the receipt, safeguarding, and use of activity funds, as defined herein.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.180.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. DEFINITIONS.

Sec. 4.1. Cocurricular Activities. "Cocurricular Activities" are School sponsored activities that directly add value to classroom instruction and curriculum.[106]

Sec. 4.2. Extracurricular Activities. "Extracurricular Activities" are School sponsored activities outside the school day that are generally ones designed to motivate students and provide them with enjoyment and skill improvement in either a competitive or noncompetitive setting.[107]

Sec. 4.3. Student Activity Funds. "Student Activity Funds" are comprised of monies raised and collected by students through School approved fundraising activities, club dues, donations, or other School approved activities. As the monies raised are the property of the students, the student organization must approve student activity funds for the benefit of the student organization's membership.[108]

Sec. 4.4. Campus or School Activity Funds. "Campus or School Activity Funds" are funds that belong to and are under the control of the School and campus and that are used to support campus and or School programs and activities.[109]

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106 *F.A.S.R.G., Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H*
107 *F.A.S.R.G. Module 3, Update 19 (2024), 3.3 Function Codes*
108 *F.A.S.R.G., Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.1.2)*
109 *F.A.S.R.G., Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.1.1)*

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Sec. 4.5. Staff Activity Funds. "Staff Activity Funds" are comprised of monies contributed by employees to be used for the benefit of campus or district staff.

Sec. 5. ACTIVITY FUND ACCOUNTING.

Sec. 5.1. The Delegate or designee must account for the receipt and use of fundraising proceeds as a campus, School, staff, or student activity fund, as applicable.

Sec. 5.2. The Delegate or designee must maintain control of and disburse activity funds through the School's central accounting office.[110]

Sec. 5.3. To enable campuses and student organizations to acquire goods and services with their available campus and student activity funds, the Delegate or designee must facilitate a process whereby campuses and student organizations may acquire goods and services as and when needed.[111]

Sec. 5.4. The School must account for all funds collected by staff from students as student activity funds.[112]

Sec. 5.5. The School may not account for funds collected, disbursed, and controlled by parents, patrons, or alumni organizations because these funds are not activity funds.[113]

Sec. 5.6. Organizations controlled by parents, patrons, or alumni are separate legal entities from the School and shall maintain separate and distinct accounting, auditing, budgeting, reporting, and recordkeeping systems from those recording the business activities of the charter school.[114]

Sec. 6. RESPONSIBILITY FOR ACTIVITY FUNDS.[115]

Sec. 6.1. Delegate.

Sec. 6.1.1. The Delegate or designee must be responsible for the overall administration and accounting of all activity funds.

Sec. 6.1.2. The Delegate or designee must approve any staff or student organizations that raise funds. Designees shall inform the Delegate of any staff or student organizations that they approve.

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110 *FASRG, Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.2.4)*
111 *Ibid.*
112 *FASRG, Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H*
113 *FASRG, Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.1)*
114 *19 TAC 100.1067(e)*
115 *FASRG, Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.2.3)*

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Sec. 6.2. Designees. Designated School district and campus staff are responsible for:

(a) Proper collection, disbursement, and control of activity funds.

(b) Safekeeping of the activity funds, which includes depositing and securing the funds.

(c) Accounting, which includes, but is not limited to, creating and maintaining cash receipt records and reconciling bank statements.

(d) Record keeping, which requires charter schools to keep activity fund records for the same length of time as other accounting records.

(e) Conducting annual audits of activity funds by using an internal or external auditor.

(f) Ensuring activity fund purchases comply with the School's purchasing procedures and applicable legal requirements.

Sec. 6.3. Sponsors. The sponsor of each student organization, including student groups and clubs, is responsible for supervising all activities of the organization. This responsibility includes the students' adoption and maintenance of a charter, developing fundraising plans, monitoring the financial position of the activity fund, reviewing the activity fund financial statements, and safekeeping activity fund money until it is deposited by the School and other fiduciary responsibilities.

Sec. 7. BANK ACCOUNT.

The School must establish and maintain a single bank account for all activity funds. The activity funds' bank account must be reconciled monthly.

Sec. 8. ACTIVITY FUND RECEIPTS.

The Delegate or designee must ensure that the School retains adequate custody and control over activity funds and shall ensure that a receipt is issued to any student or parent submitting fundraising or other proceeds. The Delegate or designee must ensure that all activity fund proceeds are deposited to the activity fund bank account and that the cash collected is not used to make purchases or payments of any kind.

Sec. 9. DISBURSEMENTS FROM STUDENT ACTIVITY FUNDS.

Student activity funds may be expended pursuant to direction from the student group provided that the expenditure is legal and that the vendor and purchase has been authorized. All expenditures

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drawn from student activity funds must be approved by the designated student officer, sponsor, and campus principal.

Sec. 10. FUNDRAISING.

Sec. 10.1. When fundraising activities are in the name of the School, all funds raised become School funds, belonging to the campus, School or staff or student organization responsible for raising the money.[116]

Sec. 10.2. Prior to undertaking any fundraising activities, the campus principal must approve all fundraising and sales activities and said approval must occur within thirty (30) days after a request is submitted. Once the purpose has been declared, funds cannot be repurposed at a later date.

Sec. 10.3. Campus principals and sponsors must submit an annual plan for fundraising to the Delegate or designee which lists the organizations which will engage in fundraising activities and the intended use of the funds. At the end of the school year, campus principals and sponsors must report to the Delegate or designee the outcome of each fundraising activity and how the funds were used.

Sec. 10.4. Sponsors must keep control of the merchandise, petty cash funds, and fundraising proceeds and maintain records.

Sec. 10.5. Raffles and gambling are prohibited.

Sec. 10.6. The Delegate or designee must collect any sales taxes due on all sales which are not specifically exempted.

Sec. 11. CONTRIBUTIONS.

Campuses may receive contributions from donors in the form of cash or check. The School shall issue a tax-exempt letter to a donor upon request. Refer to the Board's Policy for Gift Acceptance for additional requirements.

Sec. 12. ACTIVITY FUND ROLL FORWARD.

At the end of each fiscal year, any account balance remaining in a student activity fund shall roll forward to the following fiscal year.

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[116] *F.A.S.R.G., Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.1.3)*

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Sec. 13. AUDITS.[117]

Sec. 13.1. Campus principals and sponsors must be prepared to have their activity funds audited at least annually.

Sec. 13.2. The Delegate or designee must require an audit when a change in campus principal, campus finance staff, **OR** sponsor occurs.

[117] *F.A.S.R.G., Financial Accounting and Reporting Appendices, Update 19 (2024), Appendix H (H.2.3)*

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.180, Activity Funds, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____

Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to regulatory reporting requirements.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.190 applies to the School's submission of financial data and information representing the School's compliance with fiscal requirements to the Texas Education Agency ("TEA"), U.S. Department of Education, Texas Department of Agriculture, and other Federal and state agencies.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.190.

Sec. 3.2. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. DEVELOPMENT OF MONTHLY FINANCIAL STATEMENTS AND BUDGET AMENDMENTS.

Sec. 4.1. The Delegate or designee shall prepare unaudited monthly financial statements as soon as practicable following the end of each month and generally within twenty (20) business days. Delays caused by pending information from third parties, system issues, or other reasonable circumstances shall not constitute noncompliance with this policy provided the financial statements are completed and presented to the Finance Committee and/or Board of Directors as soon as practicable and in a timely manner.

Sec. 4.2. See Board Policy PG-5.021 for budget amendment requirements.

Sec. 4.3. At each standard board meeting, the Delegate or designee must prepare and provide to the Board a sufficiently detailed report disclosing, **without exception**, any and all:

(a) Business arrangements and transactions with an officer and any conflicted, interested, or related party (see Section 6.1 of PG-5.001);

(b) Instances of a corporate charge or credit account cardholder who failed to comply with applicable Board policy and administrative procedure relating to the School's corporate charge or credit accounts and who incurred prohibited expenses, including the amount(s) that the cardholder refunded to School or that the cardholder was required to pay from personal funds and any penalty and/or interest incurred by School;

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(c) Purchases of property and/or services that did not conform to the Board's policy on purchasing; and

(d) Observed noncompliance and weaknesses in internal controls, regardless of materiality.

Sec. 5. PRESENTING FINANCIAL STATEMENTS AND BUDGET AMENDMENTS TO THE BOARD.

During each meeting, the Board must review unaudited financial statements and approve budget amendments. The Delegate or designee must address any inquiries from the Board regarding budget amendments and financial disclosures during these meetings.

Sec. 6. FINANCIAL REPORTING AND DATA SUBMISSION.

The School must submit, in the form and manner specified by the Texas Education Agency ("TEA") or other grantor or regulatory entity and by the date required under applicable law or rule:

(a) A financial and compliance report, management letter (if issued by the independent auditor) and any required supplementary data submission;

(b) Budgeted financial data and actual, audited financial data to the Public Education Information Management System ("PEIMS");

(c) Expenditure reports for draw down requests from grants awarded by the TEA or other grantor; and

(d) Other forms and reports required by state or federal law or rule.

Sec. 7. IRS FILINGS.

In accordance with the Internal Revenue Code and Treasury Regulations, the School must file Form 990, Form W-3, and, if applicable, Form 1096 annually on or before the date due. Also, the School must issue to each employee a Form W-2 and to each independent contract or other person an appropriate Form 1099 by the date due. Additionally, School must file Form 941s quarterly on or before the dates due.

The Delegate or designee shall provide Form 990 to the Board for review prior to filing whenever practicable. If timing constraints would result in a late filing, the Delegate may file Form 990 provided that the return is consistent with the Board-approved audited financial statements. Any material variance from the Board-approved audited financial statements shall be presented to the Board for review prior to filing.

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Sec. 8. ANNUAL AUDIT; ANNUAL FINANCIAL AND COMPLIANCE REPORT.

Sec. 8.1. Annual and Interim Audits.

Sec. 8.1.1. In accordance with the Professional Services Procurement Act, the School must procure the services of a certified public accountant (CPA) that meets the requirements established in rule by the TEA to conduct an annual, independent audit of its financial statements, the financial and programmatic operations of the School, and the accuracy of the fiscal information submitted through the PEIMS and to provide an opinion on the financial statements and issue a report on internal control over financial reporting and on compliance and a report on compliance for major federal programs and on internal control over compliance.[118]

Sec. 8.1.2. The Delegate or designee must ensure that the independent auditor conducts both an interim and end of year audit for each fiscal year.

Sec. 8.2. Independent Auditor's Qualifications.

Sec. 8.2.1. The independent auditor must:

(a) Be associated with a CPA firm that has a current valid license issued by the Texas State Board of Public Accountancy or a state licensing agency from another state;

(b) Be a CPA with a current valid license issued by the Texas State Board of Public Accountancy, in accordance with Texas Education Code § 44.008; and

(c) Adhere to the generally accepted auditing standards (GAAS), adopted by the American Institute of CPAs (AICPA), as amended, and the generally accepted government auditing standards (GAGAS), adopted by the U.S. Government Accountability Office, as amended.[119]

Sec. 8.2.2. The CPA firm required under Section 8.2.1(a) of this policy must:

(a) Be a member of the AICPA Governmental Audit Quality Center (GAQC);

(b) Adhere to GAQC's membership requirements; and

(c) Collectively have the knowledge, skills, and experience to be competent for the audit being conducted, including thorough knowledge of GAGAS and:

(1) Texas public school district environment; or

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[118] *19 Tex. Admin. Code § 100.1067(c); 19 Tex. Admin. Code § 109.23(d); F.A.S.R.G. Module 2*
[119] *19 Tex. Admin. Code § 109.23(d)(1)*

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(2) Texas open-enrollment charter school operations; or
(3) public sector; or
(4) nonprofit sector.[120]

[120] *19 Tex. Admin. Code §109.23(d)(2)*

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Sec. 8.3. **Report Requirements.**

Sec. 8.3.1. *Report Content*. The Delegate or designee must ensure that the annual financial and compliance report includes the content, reports, schedules and note disclosures required under generally accepted accounting principles ("GAAP"), as promulgated by the Financial Accounting Standards Board, and pursuant to the financial reporting requirements adopted by the TEA. The Delegate or designee must ensure that the annual financial and compliance report includes financial and other information for the corporation as a whole and for its open-enrollment charter school. Lastly, the Delegate or designee must ensure that the annual financial and compliance report includes any reports and schedules required under the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996.[121]

Sec. 8.3.2. *Accounting Policy*. Consistent with GAAP, the School must observe the following accounting policies:

(a) *Cash equivalents*. For financial statement purposes, the School considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

(b) *Restricted support*. The School must report restricted support as temporarily restricted regardless of whether or not the restrictions are met within the same fiscal year.

(c) *Amortization and depreciation expense*. The School must record amortization and depreciation expense using the straight-line method and the useful life of the asset or the estimated useful lives for each asset class established in the Board's Policy PG-5.310.

(d) *Other*. The Delegate or designee may recommend for adoption such other accounting policies as the Delegate or designee deems appropriate and necessary. These recommendations must be reviewed and approved by the Board. In this adoption process, the Delegate or designee may consult with the School's independent auditor or another CPA. At the Board's discretion, the Board may review any accounting policy recommended for adoption by the Delegate or designee under this subsection and may approve or disapprove said policy.

Sec. 8.3.3. *Board Approval*. The Board must review and approve, or disapprove, the content of the annual financial and compliance report before it is submitted to the TEA. If the Board disapproves the content of the report, the Board must state its disapproval, including the reason(s) for disapproving the report's content, in writing to the TEA.

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[121] *19 Tex. Admin. Code § 100.1067(b); Tex. Bus. Org. Code 22.352; F.A.S.R.G. Module 2; 2 C.F.R. 200 Subpart F*

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.190, Financial Reporting, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the School's maintenance and use of cash.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.210 applies to the School's administration of cash.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. **Controlling Policy.** Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.210.

Sec. 3.3. **Delegate.** For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 3.5. **Prudent Person Rule.** See Policy PG-5.001, Section 7.

Sec. 3.6. **Abuse and Waste Prohibited.** See Policy PG-5.001, Section 8.

Sec. 3.7. **Fiduciary Duty.** See Policy PG-5.030, Section 4.

Sec. 4. BANK DEFINED.

Bank means a bank, a savings and loan association, or a savings bank organized under the laws of State of Texas, another state, or Federal law that has its main office or a branch office in the State of Texas. The term does not include any bank the deposits of which are not insured by the Federal Deposit Insurance Corporation.[122]

Sec. 5. BOARD OVERSIGHT OF CASH.

The Board must govern and manage the cash received and disbursed from all sources of funding in a manner consistent with state and Federal law and to achieve favorable cash flows for the benefit of the School's students.[123]

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122 *Tex. Educ. Code § 45.201(2)*
123 *Tex. Educ. Code §§ 12.107(a)(2); 12.115(a)(2); 12.1162(a)(2); 2 C.F.R. §§ 200.302(b)(6); 200.305(b)*

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Sec. 6. OPERATING ACCOUNT.

The Board must require that all local, state and Federal funds be deposited into a single account maintained by a bank.[124] Additionally, and except as provided in Section 7, the Board shall require that all local, State and Federal funds be disbursed from the same account. The bank account created and maintained pursuant to this section will be commonly referred to as the Operating Account.

Sec. 7. PAYROLL ACCOUNT.

The Board may authorize a second bank account for the sole purpose of disbursing the wages or salary and other compensation, less authorized deductions, from local, state and Federal funds to School employees. A bank account so created and maintained will be commonly referred to as the Payroll Account.

Sec. 8. ACCOUNT SIGNATORIES.

The Board must adopt a resolution authorizing the Superintendent/Chief Executive Officer and the Chief Financial Officer as the signatories to the School's bank account(s). If either the Superintendent/Chief Executive Officer or the Chief Financial Officer are separated from employment with the School, the Board must adopt a resolution removing their signatory authority and authorizing the Board Treasurer or another School officer to be signatories to the School's bank account(s).

Sec. 9. RECORD OF CASH RECEIPTS AND DISBURSEMENTS.

The Delegate or designee must maintain a financial management system that conforms to the requirements of the Texas Education Agency to record a unique record for each deposit made for and for each disbursement made from each source of funding.

Sec. 10. CHECK REGISTER.

The Delegate or designee must maintain a register of individual deposits and disbursements for the Operating and Payroll Accounts.

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[124] *Tex. Educ. Code § 12.107(a)(4)*

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Sec. 11. ORIGINAL, ITEMIZED RECORDS.

The Delegate or designee must maintain an original, itemized record of each deposit and disbursement supporting the transactions listed on the Check Register for the Operating Account and the Payroll Account.

Sec. 12. RECONCILIATION OF ACCOUNTS.

The Delegate or designee must reconcile statements received from the bank for the Operating and Payroll Accounts to the respective Check Registers, addressing and resolving discrepancies.

Sec. 13. INVESTMENT OF SURPLUS CASH.

For purposes of this policy, surplus cash means the available cash balance in the Operating Account exceeding two times the amount of the School's total current liabilities. Surplus cash may be invested as approved by Board resolution and in accordance with Policy PG-5.320.

Sec. 14. CASH FLOW PROJECTION.

The Delegate or designee must prepare a projection of the School's cash inflows and cash outflows. The Delegate or designee must present the Cash Flow Projection to the Board at each regularly scheduled meeting of the Board, along with explanations of any significant variances thereto. For purposes of this Policy, a significant variance is defined as a variance of the actual cash inflow or cash outflow for a specific line item that exceeds the projected cash inflow or projected cash outflow, as amended, by five percent (5%) or more. Any amendments to the Cash Flow Projection must also be disclosed to the Board.

Sec. 15. OTHER METHOD OF DISBURSEMENT.

The Delegate or designee is authorized to disburse funds through the Operating and/or Payroll Account, petty cash accounts, charge accounts or credit accounts. Funds may not be disbursed through debit or gift cards.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.210, Cash Management, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the use of the School's corporate credit accounts.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.220 applies to the School's administration of the line of credit established through corporate charge or credit accounts.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Controlling Policy. Unless otherwise indicated, Board Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.220.

Sec. 3.2. Delegate. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 3.3. Prudent Person Rule. See Policy PG-5.001, Section 7.

Sec. 3.4. Abuse and Waste Prohibited. See Policy PG-5.001, Section 8.

Sec. 4. BOARD AUTHORIZATION.

Sec. 4.1. Subject to Section 3 of this policy, the Board authorizes the Delegate to establish a corporate credit account(s) for the purpose of procuring goods and/or services for School activities, functions, programs and services and to facilitate business travel. In furtherance of this purpose, the Delegate may authorize certain School employees to use the corporate credit account(s).

Sec. 4.2. In authorizing the establishment of a corporate credit account(s), the Board is not authorizing the Delegate to pay the corporate credit account issuer(s) directly. Instead, the Delegate must require each employee authorized to use the corporate credit account(s) to assume personal liability for all charges, to request reimbursement of charges conforming to this policy, and to pay the issuer directly for the expenses charged to the corporate credit account(s) assigned to the employee.

Sec. 5. COMPLIANCE WITH POLICY.

In establishing a corporate credit account(s), the Delegate must ensure compliance with the requirements set forth in this policy and other Board policy. In accepting the Delegate's

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authorization to use the corporate credit account(s), School employees must adhere to the requirements set forth in this policy and other Board policy.

Sec. 6. EMPLOYEE ELIGIBILITY.

Sec. 6.1. Employment Status. School personnel must be employed on a full-time status to be eligible to use the corporate credit account(s). School personnel employed on a less than full-time status, independent contractors, and volunteers are not eligible to use the corporate credit account(s).

Sec. 6.2. Eligible Employees. School personnel listed in Section 5 of PG-5.001 are eligible to use the corporate credit account(s). Additionally, the Delegate may authorize a School employee not listed in said policy to use the corporate credit account(s) if, on a monthly basis, the employee purchases goods and/or services or travels in furtherance of the School's business activities and incurs $500 or more related expenses monthly.

Sec. 6.3. Credit Worthiness. The Delegate may authorize eligible employees to use the School's corporate credit account(s) based upon business necessity, position responsibilities, and compliance with Board policy and administrative procedures. The Delegate may require completion of application forms and user agreements as reasonably necessary to administer the program.

Sec. 6.4. Participation Optional. School employees are not required to use the School's corporate card account(s) to purchase goods and/or services or to conduct business travel. Instead, employees may submit an expense reimbursement request.

Sec. 7. REQUIREMENTS FOR APPROVAL AND USE.

Sec. 7.1. Application Required. To be granted authorization to use the School's corporate credit account(s), a School employee must submit a written application in the form specified by the Delegate.

Sec. 7.2. Credit Review Required. If required by the card issuer, the employee shall authorize any necessary review required to issue a card. A determination of creditworthiness shall not be the sole factor in determining eligibility to participate in the School's corporate credit card program.

Sec. 7.3. Agreement Required. Prior to using the School's corporate credit account(s), the employee must sign a standard written agreement in the form specified by the Delegate. In the standard written agreement, the Delegate must include terms and conditions that effectively implement this policy and best practices that safeguard the use of the corporate credit account(s).

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Sec. 7.4. Form. An employee authorized to use the School's corporate credit account(s) must do so through a corporate credit account card(s).

Sec. 7.5. Financial Responsibility. Prior to using the School's corporate credit account(s), the employee must accept financial responsibility for any expenses charged to their assigned corporate credit account and card that fails to conform to the requirements of this policy and applicable law.

Sec. 8. DELEGATES RESPONSIBILITIES.

The Delegate or designee must:

(a) Oversee the administration of the School's corporate credit account(s).

(b) Process all requests to use the corporate credit account(s), including any modifications to said use.

(c) Restrict the use of corporate credit account(s) to specific Merchant Category Codes to mitigate the use of the account(s) at unapproved merchant types.

(d) Review each cardholder's expenses, approve or disapprove each cardholder's charges, and authorize the payment of all eligible expenses charged to the corporate credit account(s).

(e) If an expense is disapproved, inform the cardholder in writing of the amount(s) that were disallowed and the basis for the disallowance.

(f) Provide monthly statements to each employee authorized to use the corporate credit account(s).

(g) Require each employee to affirm, in writing, that the expenses disclosed on each monthly statement were incurred for official School business and conform to applicable legal requirements and Board policy.

(h) Monitor and enforce compliance with this policy, any other related Board policies, and any administrative procedures.

(i) Investigate any irregularities or alleged misconduct and report findings to the Board.

(j) Take control and possession of an employee's access to the corporate credit account(s) upon the employee's separation from employment with the School or other relevant change in employment status.

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(k) Disclose, in writing, any violation of this policy by any employee to the Board.

Sec. 9. AUTHORIZED EMPLOYEE DUTIES.

Sec. 9.1. Abuse and Waste Prohibited. Consistent with Section 8 of Policy PG-5.001, cardholders must not use the corporate credit account(s) to abuse or waste the School's financial resources and established lines of credits.

Sec. 9.2. Appropriate Use. Cardholders must agree to the appropriate use of the corporate credit account(s) and card(s) assigned to them thereby restricting the use of said account(s) and card(s) to the purchase of goods and/or services for official School business.

Sec. 9.3. Billing Errors and Unrecognized Transactions. Cardholders must identify and satisfactorily resolve any billing errors and unrecognized expenses.

Sec. 9.4. Credits and Returns. Cardholders must return items for credit and not for cash refunds. Cardholders must ensure that any returned items are credited to the corporate credit account(s).

Sec. 9.5. Disclosure of Conflicted, Interested, or Related-Party Transactions. Cardholders must disclose to the Delegate or designee any business arrangement or transaction with any conflicted, interested, or related party, as defined in other Board policy or applicable law. Cardholders may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 9.6. Fraudulent Charges. Cardholders must report fraudulent charges to the corporate credit account issuer and the Delegate or designee immediately after they become aware of the fraudulent charges.

Sec. 9.7. Fraudulent Use Prohibited. Cardholders must not use their corporate credit account(s) and card(s) to commit fraud or other criminal act. Cardholders may be liable for any fraudulent or other charges of a criminal nature.

Sec. 9.8. Liability for Charges. Cardholders must agree to be liable for the expenses charged to the corporate credit account(s) and card(s) assigned to them and to pay the credit account and card issuer for the expenses incurred. Notwithstanding, personal use of the corporate credit account(s) and card(s) is strictly prohibited and any abuse may lead to loss of card privileged, as well as adverse employment action up to and including termination.

Sec. 9.9. Lost or Stolen Card(s). Cardholders must report lost or stolen corporate credit cards to the issuer and the Delegate or designee immediately after they become aware of the loss.

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Sec. 9.10. Method of Procurement. Cardholders are required to and are responsible for procuring goods and services pursuant to the procurement methods identified in the Board's Policy relating to Purchasing and Contracting.

Sec. 9.11. Personal Use Prohibited. Cardholders must only use their corporate credit account(s) and card(s) for official School business only and must not use the account(s) and card(s) for their personal benefit. Cardholders must agree to be liable for any charges of a personal nature and may face personnel action, up to and including termination.

Sec. 9.12. Prudent Person Rule. An authorized employee, or cardholder, must limit the use of the corporate credit account(s) to costs that adhere to the Prudent Person Rule set forth in Section 7 of Policy PG-5.001.

Sec. 9.13. Reconciliation Required. Cardholders must reconcile any and all charges disclosed on the monthly statement pertaining to their assigned corporate credit account(s) to original, itemized receipts. Cardholders must subsequently submit the receipts to the Delegate or designee and identify any expenses for which a receipt is missing, or which was not authorized by the cardholder.

Sec. 9.14. Reimbursement Request. Cardholders must agree to submit requests for reimbursement for legitimate business expenses.

Sec. 9.15. Safeguarding Account. Cardholders must appropriately safeguard their assigned corporate credit account(s) and card(s), including the account number, the security code, expiration date and associated mailing zip code to protect against any unauthorized access of the corporate credit account.

Sec. 9.16. Sales Taxes. Since the School is tax-exempt, cardholders must ensure that sales taxes are not charged on any purchase.

Sec. 10. AUTHORIZED USER.

Only the cardholder must use their assigned corporate account(s) and card(s) to purchase goods and/or services, including business travel. A cardholder may not authorize anyone, including a School employee, to use their assigned corporate account(s) and card(s) for any purpose.

Sec. 11. PROHIBITED USE.

Sec. 11.1. Cardholders must not exceed the credit limit on their assigned corporate credit account(s) and card(s).

Sec. 11.2. Although not all inclusive, cardholders must not use their assigned corporate credit account(s) and card(s) for the following types of activities and expenses.

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(a) Alcoholic beverages.
(b) Cash advances.
(c) Donations.
(d) Food and beverages not associated with travel for official School business.
(e) Gift cards.
(f) Gratuities or tips.
(g) Loans.
(h) Medical services, prescription and nonprescription drugs, or supplements.
(i) Non-business related charges, including any expense resulting in a personal benefit.
(j) Political contributions or lobbying activities.
(k) Purchases subject to Section 3.3 of Policy PG-5.001.

Information technology hardware and software may only be purchased using a corporate credit account if the purchase has been approved in accordance with applicable procurement requirements, technology approval procedures, budgetary controls, and Board policy.

Sec. 11.3. Cardholders may not use their assigned corporate credit account(s) and card(s) for component, separate, or sequential purchases to avoid or bypass the School's purchasing and payment policies and procedures. See Policy PG-5.510, Sections 4.1, 4.8 4.9, and 5.13.

Sec. 12. TERMINATION OF CARDHOLDER PARTICIPATION.

A cardholder's corporate credit account(s) and card(s) may be cancelled for the following reasons:

(a) The cardholder is no longer employed by School.

(b) The cardholder changes position and their new position does not meet the requirement for eligibility set forth in Sec. 6 of this policy.

(c) In using their assigned corporate card(s), the cardholder materially violated this policy or other related Board policy and any pertinent administrative procedures.

(d) The cardholder is suspended, placed on administrative leave, or is subject to other adverse employment action.

Sec. 13. REQUIRED SUBSTANTIATION.

Sec. 13.1. For each transaction, cardholders must provide:

(a) a sufficiently detailed description of:

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(1) the business purpose for the transaction;

(2) how said purpose directly benefited the School; and

(3) the names of the individuals who were part of the transaction, including the organization they represented and the official capacity in which they represented said organization; and

(b) the original, itemized third-party receipts and other such records that fully discloses:

(1) the vendor's name, place of business and contact information;

(2) the transaction date and total amount of the purchase; and

(3) individual line items for the goods and/or services purchased and the cost of each item.

Sec. 13.2. Cardholders must ensure that vendors provide an original, itemized receipt conforming to the requirements set forth in Section 13.1(b) of this policy.

Sec. 13.3. If the cardholder fails to provide the required substantiation under Section 13.1 of this policy, the cardholder is liable for the amount(s) of the unsubstantiated transaction(s).

Sec. 14. REVIEW BY BOARD.

Without exception, the Board must review and approve or disapprove the expenses charged by an officer, as defined in Section 5 of PG-5.001, to their assigned corporate credit account(s) and required substantiation. If disapproved, the Board's designee must inform the officer in writing of the amount(s) that were disallowed and the basis for the disallowance.

Sec. 15. PARTICIPATION IN REWARDS PROGRAM.

The School may participate in any rewards program offered by the corporate credit account issuer(s). If the School participates in a rewards program, the School must retain ownership of any rewards earned under said program and must use any rewards received for the benefit of the School's students.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.220, Corporate Credit Accounts, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the fundraising activities of the School.

Sec. 2. APPLICABILITY.

This policy pertains to the receipt, safeguarding and use of funds received by School personnel. This policy supplements the Board's Policy for Gift Acceptance.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.290.

Sec. 3.2. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. CONTRIBUTIONS RECEIVED.

Sec. 4.1. Cash Defined. For purposes of this policy, cash means coin, currency, money orders, cashier's checks, personal checks, and business checks, including any funds maintained in a bank, investment, savings, or other similar account.

Sec. 4.2. In-Kind Contributions. In-kind contributions are recognized and recorded at fair market value on the date received. The donor must provide the fair market value of the donated item or service.

Sec. 4.3. Contributions to the School Child Nutrition Program. The School's Child Nutrition Program (CNP) staff must collect and deposit all monies received from students, or their parents or guardians, for meals and snacks. CNP staff must also create and maintain records of all such payments to provide parents (or guardians) and students timely, accurate account balances.

Sec. 4.4. Contributions Received by Campus. Campuses are only authorized to receive cash and credit card contributions from donors. Moreover, campus principals may not accept a contribution governed by the Board's Policy for Gift Acceptance.

Sec. 4.5. Contributions Received from Vendors. School officers, as defined in Section 5 of PG-5.001, and employees may not receive contributions directly from any vendor. If a vendor makes a cash or in-kind contribution to an officer or employee, the officer or employee must route the

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contribution to the Delegate or designee. The Delegate or designee must maintain proper control of the contribution. See Board Policy relating to Gift Acceptance for additional requirements.

Sec. 4.6. Special Events. The School may organize special events for the purpose of raising funds from donors. School officers, as defined in Section 5 of PG-5.001, must ensure that special events yield fundraising results that exceed the cost of the event by at least fifty percent (50%).

Sec. 4.7. Use of Unrestricted Contributions. An unrestricted contribution is a contribution from a donor who did not require that any condition(s) be met so that the contribution may be used. In this instance, the School may use an unrestricted contribution for any lawful purpose. However, unrestricted and lawful purposes do not mean "any purpose" but rather means and is limited to an authorized charitable purpose of the School that is in furtherance of the School's mission and in the best interest of students. The applicable grant or donation agreement must also be considered and reviewed to confirm. If there are any doubts on use or if it is unclear, the Delegate or designee should confirm intent and/or approval in writing with the donor.

Sec. 4.8. Use of Restricted Contributions. A restricted contribution is a contribution from a donor who stipulated, in writing, that a specific condition(s) must be met so that the contribution may be used. In this instance, the School may only use a restricted contribution as stipulated by the donor. To ensure compliance with the donor's stipulation(s), the Delegate or designee must obtain a written agreement from the donor setting forth the specific condition(s) that must be met to enable School to use the contribution received.

Sec. 4.9. Reports to Donors. The Delegate or designee should provide a report to donors disclosing the uses of their contributions.

Sec. 4.10. Compliance with Donor Agreements. The Delegate or designee must ensure compliance with any donor/grant agreement and periodically review the same.

Sec. 5. TAX-EXEMPT LETTER.

Sec. 5.1. Other Policy. See Board Policy relating to Gift Acceptance.

Sec. 5.2. Upon Request from Donor. The School must issue a tax-exempt letter to a donor upon request or as otherwise where required by law.

Sec. 5.3. Written Acknowledgement of Certain Donations.[125] In accordance with the Internal Revenue Code and Treasury Regulations, a donor is prohibited from claiming a tax deduction for any single contribution of $250 or more unless the donor receives a contemporaneous, written acknowledgement of the contribution from the School. To facilitate the donor's compliance with

[125] *I.R.S. Publication 1771 (Rev. 3-2016) Catalog Number 20054Q,* page 2

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applicable law, the School may provide a donor contributing $250 or more with a timely, written annual statement that includes, on the School's letterhead:

(a) The School's name;

(b) The amount of the cash contribution(s) received from the donor during the calendar year;

(c) A description (but not the value) of the non-cash contribution(s), if any; and

(d) A statement that no goods or services were provided by School in return for the contribution, if applicable; or

(e) A description and good faith estimate of the value of goods or services that School provided in return for the contribution, if applicable.

Sec. 5.4. Form of Written Acknowledgement. The School may provide the written acknowledgement via U.S. Postal Service or electronic mail.

Sec. 5.5. Contemporaneous Defined.[126] For purposes of Section 5.2 of this policy, the School must provide the donor with a written acknowledgement by January 31 of the calendar year following the receipt of the donor's contribution.

Sec. 5.6. Records. The Delegate or designee shall create, obtain, and maintain adequate and sufficient records to support the receipt of contributions and fundraising proceeds, as required by applicable law, rule and policy.

[126] *Ibid*, page 3

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.290, Fundraising, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the capitalization of real and personal property for financial statement, Federal property management, and state property accounting purposes.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.310 applies to the School's administration of real and personal property acquired with Federal, state, and local funds.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.310.

For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. DEFINITIONS.

For purposes of this policy, the following terms have the meanings provided in this section.

Sec. 4.1. Asset means any tangible or intangible item of personal or real property with a useful life of greater than one (1) year at the time of acquisition.[127]

Sec. 4.2. Personal property means an interest in personal property recognized by Texas law, including:

(a) furniture, equipment, supplies, and other goods;
(b) computer hardware and software;
(c) contract rights, intellectual property such as patents, and other intangible property;
(d) cash, currency, funds, bank accounts, securities, and other investment instruments;
(e) the right to repayment of a loan, advance, or prepayment or to the payment of other receivables; and
(f) any other form of personal property recognized by Texas law.[128]

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127 *2 C.F.R. § 200.1; 19 Tex. Admin. Code § 100.1067(b)(1); Accounting Standards Codification*
128 *19 Tex. Admin. Code §100.1001(22); 2 § C.F.R. § 200.1*

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Sec. 4.3. Real estate means an interest, including a lease interest, in real property recognized by Texas law or in improvements such as buildings, fixtures, utilities, landscaping, construction in progress, or other improvements.[129]

Sec. 5. CAPITALIZATION OF ASSETS.

Sec. 5.1. Capitalization Required. The School must capitalize the acquisition cost of an asset or the fair market value of a donated asset if the asset at the time of acquisition or donation has a useful life of more than one (1) year and if the cost per unit equals or exceeds the following amounts.[130]

Table A: Capitalization Thresholds

Property Description	Capitalization Threshold
Land	$0
Improvements to land	$50,000
Buildings	$50,000
Improvements to buildings	$50,000
Leasehold improvements	$50,000
Construction in progress	$50,000
Furniture and equipment	$10,000
Vehicles	$10,000
Other personal property	$10,000

Sec. 5.2. Ancillary Costs. The School must capitalize any costs incurred for ancillary activities (*e.g.*, site preparation, transportation and installation) undertaken to bring the asset to the condition and location necessary for its intended use.[131]

Sec. 5.3. Improvements. The School must capitalize the cost of improvements to property if the improvements:

(a) Extend the useful life of the asset;
(b) Enhance the overall value of the asset; or
(c) Adapt the asset so that it may be repurposed.[132]

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129 *19 Tex. Admin. Code § 100.1001(24); 2 C.F.R. § 200.1*
130 *2 C.F.R. § 200.1; 19 Tex. Admin. Code § 100.1067(b)(1); Accounting Standards Codification*
131 *Ibid*
132 *Ibid*

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Sec. 5.4. Board Approval. The Board shall approve all purchases of real property, the purchase of construction services for a new building or the renovation of an existing building, and the acquisition of personal property requiring the execution of a contract.[133]

Sec. 5.5. Board Delegation. The Board may delegate its authority for construction, renovations or repairs by written resolution, with such delegation to a person, representative(s), or committee. In delegating its authority, the Board must provide notice of this delegation and the limits of the delegation as required by law and include the same in all requests for bids, proposals or qualifications or as an addendum to a request. Failure to comply with the applicable legal requirements will render the decision not made by the Board as an advisory or recommendation only and shall not be binding on the Board or the School.[134]

Sec. 6. DEPRECIATION.

Sec. 6.1. Authorized Method of Depreciation. Other than the capitalized cost for land, the School must utilize the straight-line method of depreciation to amortize the capitalized costs of all capitalized assets over their useful life. Consistent with generally accepted accounting principles, the School must calculate the annual depreciation of capitalized costs as:

(Capitalized Cost of Asset – Salvage Value) ÷ Estimated Useful Life

Sec. 6.2. Useful Life. Consistent with generally accepted accounting principles, the useful life of an asset means the period during which the asset is projected to generate revenue or provide other valuable service to the School and not how long the asset will last. Generally, the School must observe the following useful life for each type of capital asset.

Table B: Useful Life

Type	Useful Life
Land	Perpetual
Improvements to land	15
Buildings	30
Modular Buildings	10
Improvements to buildings	Remaining useful life of the building
Leasehold improvements	Lease term
HVAC systems	15
Electrical/Plumbing	15
Roofing	15

133 *PG-5.001, Sec. 3.1(d); (f)*
134 *Tex. Educ. Code § 44.0312(a)*

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Type	Useful Life
Carpet replacement	7
Cabling	5
Computer hardware	3
Computer software	3
Duplicating equipment	5
Custodial equipment	7
Office and classroom furniture, fixtures and equipment	7
Grounds equipment	7
Kitchen equipment	7
Audio-Visual equipment	5
Vehicles	5

Sec. 7. INVENTORY OF ASSETS.

Sec. 7.1. The Delegate or designee must maintain an inventory of all capitalized assets and of the following non-capitalized assets ("Sec. 7 Assets"):

(a) Desktop computers,
(b) Laptops,
(c) Notebooks,
(d) Smartphones
(e) Tablets, and
(f) Other computing devices.

Sec. 7.2. The Delegate or designee must affix upon *Section 7 Assets* a permanent, machine-readable label that clearly identifies the asset as School property to uniquely account for the asset in the School's inventory records.

Sec. 7.3. The Delegate or designee(s) must annually conduct a physical inventory of *Section 7 Assets* and must ensure appropriate corrective or other measures, including reports to law enforcement, are undertaken for any *Section 7 Assets* that are not located.

Sec. 7.4. When a change in campus principal or central office administrator occurs, the Delegate or designee and the outgoing principal or administrator must conduct a joint inventory of *Section 7 Assets*.

Sec. 7.5. The School must maintain accurate, complete, and up-to-date records of all *Section 7 Assets* through physical counts, the review of purchase records, and other methods, as deemed appropriate and necessary.

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Sec. 8. SAFEGUARDING OF ASSETS.

Sec. 8.1. The Delegate or designee must ensure that *Section 7 Assets* are safeguarded.

Sec. 8.2. The Delegate or designee must adopt a system for transferring assets assigned to a campus or department to another campus or department.

Sec. 9. DISPOSITION OF CAPITAL ASSETS.

Sec. 9.1. Except for real property, the Delegate is authorized, by any means commonly used, to dispose of assets that have concluded their useful life, are obsolete or deemed unnecessary, are damaged beyond repair or deemed too costly to repair or are lost or stolen. If an asset is still serviceable, the Delegate or designee must first determine if a need for the asset exists elsewhere within the School before disposing of the asset.

Sec. 9.2. The Board must authorize any disposal of assets through a donation to another charitable, tax-exempt organization. For donations to charitable organizations, the Board must obtain a written assurance from the organization to which the asset is being donated that it will use the donated asset for a public purpose and must stipulate that, as a condition of the donation, ownership of the asset must revert to School if the recipient organization discontinues using the asset for a public purpose.

Sec. 9.3. If the asset is disposed of through a sale, the Delegate or designee must sell the asset at its fair market value and must attribute any proceeds to the originating fund source. As a condition of selling the asset, the School must make no warranties or guarantees concerning the continued functionality of the asset.

Sec. 9.4. In the following order of precedence, the Delegate or designee may sell assets to students, teachers and educational aides, parents, other School personnel, and the public at large. In doing so, the Delegate or designee must not act in a manner that is or appears to be preferential to any one individual, except as indicated in the order of precedence set forth in this section.

Sec. 9.5. If the asset has no value, the Delegate or designee may dispose of the asset as deemed administratively expedient.[135]

Sec. 9.6. The Delegate or designee must adopt a system for the documented disposal of assets, including the Delegate's approval for the disposal of any capital asset with a current fair market value or residual value exceeding $10,000 per unit.

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[135] An administratively expedient disposal does not result in any additional administrative process beyond documenting the disposal of the asset.

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Sec. 9.7. Prior to the final disposal of an asset, the Delegate or designee must remove any School emblems and other identifying information, such as license plates and inventory tags, from the asset. Additionally, the Delegate or designee must have the storage mediums of a computing device permanently erased of any software owned or subscribed to by the School and of any data, especially personally identifiable data pertaining to students and staff.

Sec. 9.8. School personnel are prohibited from receiving, through sale or otherwise, any asset that is to be disposed except as established under this policy and pursuant to the administrative procedures adopted under this policy.

Sec. 9.9. The Delegate or designee must dispose of assets acquired with federal funds in accordance with applicable federal regulations and grantor agency policy and grant requirements.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.310, Capital Assets, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the investment of School funds.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.320 applies to the School's use of public funds in authorized investments.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.320.

Sec. 3.2. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. INVESTMENT OBJECTIVES.[136]

In general, the Board and Delegate must observe, in the priority order listed in this Section 4, the following objectives when investing funds:

(a) Preservation and safety of principal;
(b) Liquidity; and
(c) Yield.

Sec. 5. ACCOUNT MAINTENANCE.[137]

The Delegate or designee must ensure that investments are maintained in discrete and distinct accounts that separate funds pertaining to non-School activities, functions, programs and services from public funds.

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136 *19 Tex. Admin. Code § 100.1065(c)(1)*
137 *19 Tex. Admin. Code § 100.1065(b)(2)*

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Sec. 6. INVESTMENT RECORDS.[138]

The Delegate or designee must ensure that the School creates and maintains accurate and complete records of the investment of School funds.

Sec. 7. CONTRACTUAL CONSIDERATIONS.[139]

The Delegate must ensure that investments are made in accordance with any applicable provision or covenant contained in a debt instrument, bond indenture, or similar agreement.

Sec. 8. AUTHORIZATION THRESHOLDS.[140]

Subject to the Board's final authority over the use of public funds, the Delegate or designee is authorized to invest an amount not exceeding $100,000 for a period not exceeding one (1) year in the authorized investments identified in this policy. Otherwise, the Delegate or designee must recommend to the Board any investment of surplus cash exceeding $100,000 or for a period exceeding one year.

Sec. 9. AUTHORIZED INVESTMENTS.

The Board and Delegate or designee may purchase, sell and invest public funds in only the following authorized investments.[141]

Sec. 9.1. Obligations of or Guaranteed by a Governmental Entity.[142] Except as provided by Section 9.2 of this policy, the following are authorized investments under this subsection.

(a) Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks.

(b) Direct obligations of the State of Texas or its agencies and instrumentalities.

(c) Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

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138 *Tex. Bus. Org. Code § 22.352(a); Tex. Educ. Code §§ 12.115(a)(2); 12.1162(a)(2); 19 Tex. Admin. Code §§ 100.1113(a)(1)(C); 100.1067(b)(1); 100.1203*
139 *19 Tex. Admin. Code § 100.1065(b)(3)*
140 *19 Tex. Admin. Code § 100.1113(a)(1)(B);* Consistent with *Tex. Gov't. Code § 2256.003*
141 *Tex. Educ. Code § 12.1053(b)(3)*
142 *Tex. Gov't. Code § 2256.009(a)*

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(d) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas, the United States, or their respective agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC") or by the explicit full faith and credit of the United States.

(e) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

(f) Bonds issued, assumed, or guaranteed by the State of Israel.

(g) Interest-bearing banking deposits that are guaranteed or insured by:

(1) the FDIC or its successor; or

(2) the National Credit Union Share Insurance Fund ("NCUSIF") or its successor.

(h) Interest-bearing banking deposits other than those described by (g) above if:

(1) the funds invested in the banking deposits are invested through:

(A) a broker with a main office or branch office in the State of Texas that the School selects from a list the Board, or, if so designated, an investment committee, adopts as required by Texas Government Code § 2256.025; or

(B) a depository institution with a main office or branch office in the State of Texas that the School selects;

(2) the broker or depository institution selected as described by (h)(1) arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the School's account;

(3) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and

(4) the School appoints as its custodian of the banking deposits issued for the School's account:

(A) the depository institution selected as described by (h)(1);

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(B) an entity described by Texas Government Code § 2257.041(d); or

(C) a clearing broker dealer registered with the Securities and Exchange Commission ("SEC") and operating under SEC Rule 15c3-3.

Sec. 9.2. Prohibited Investments.[143] The following investments are prohibited.

(a) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.

(b) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

(c) Collateralized mortgage obligations that have a stated final maturity date of greater than ten (10) years.

(d) Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Sec. 9.3. Certificates of Deposit and Share Certificates.[144] A certificate of deposit or share certificate is an authorized investment under this policy if the certificate is issued by a depository institution that has its main office or a branch office in the State of Texas and is:

(a) guaranteed or insured by the FDIC or its successor or the NCUSIF or its successor;

(b) secured by obligations authorized in Section 9.1 of this policy, including mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, excluding those mortgage backed securities of the nature described by Section 9.2 of this policy; or

(c) secured accordance with Texas Government Code, Chapter 2257 or in any other manner and amount provided by law for deposits of the School.

Sec. 9.4. Other Authorized Form for Certificates of Deposit and Share Certificates.[145] An investment in a certificate of deposit is authorized under this subsection if it is made under the following conditions:

(a) the funds are invested by the School entity through;

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143 *Tex. Gov't. Code § 2256.009(b)*
144 *Tex. Gov't. Code § 2256.010(a)*
145 *Tex. Gov't. Code § 2256.010(b)*

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(1) a broker that has its main office or a branch office in the State of Texas and is selected from a list adopted by the School in accordance with Texas Government Code § 2256.025; or

(2) a depository institution that has its main office or a branch office in the State of Texas and that is selected by the School;

(b) the broker or the depository institution selected by the School under (a)(1) above arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the School;

(c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and

(d) the School appoints the depository institution selected by the School under (a)(1) above, an entity described by Texas Government Code § 2257.041(d), or a clearing broker-dealer registered with the SEC and operating pursuant to SEC Rule 15c3-3 as custodian for the School with respect to the certificates of deposit issued for the account of the School.

Sec. 9.5. Repurchase Agreements.[146]

Sec. 9.5.1. *In General*. A fully collateralized repurchase agreement is an authorized investment under this subsection if the repurchase agreement:

(a) has a defined termination date;

(b) is secured by a combination of cash and obligations authorized at Section 9.1(a) or 9.8 of this policy;

(c) requires the securities being purchased by the School or cash held by the School to be pledged to the School either directly or through a joint account approved by the entity, held in the School's name either directly or through a joint account approved by the entity, and deposited at the time the investment is made with the School or with a third party selected and approved by the School; and

(d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas.

Sec. 9.5.2. *Repurchase Agreement Defined*. For purposes of this policy, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date

[146] *Tex. Gov't. Code § 2256.011*

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obligations described under Section 9.1(a) or 9.8 of this policy, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

Sec. 9.5.3. *Joint Account Defined*. For purposes of this policy, "joint account" means an account maintained by a custodian bank and established on behalf of two or more parties to engage in aggregate repurchase agreement transactions.

Sec. 9.5.4. *Term of Agreement*. The term of any reverse security repurchase agreement may not exceed ninety (90) days after the date the reverse security repurchase agreement is delivered.

Sec. 9.5.5. *Use of Invested Funds*. Money received by the School under the terms of a reverse security repurchase agreement must be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Sec. 9.6. Securities Lending Programs.[147] A securities lending program is an authorized investment if it meets the following conditions:

(a) the value of the securities loaned is at least 100% collateralized, including accrued income;

(b) a loan made under the program must allow for termination at any time;

(c) a loan made under the program is secured by:

(1) pledged securities described in Section 9.1 of this policy;

(2) pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state and continuously rated by at least one nationally recognized investment rating firm at not less than "A" or its equivalent; or

(3) cash invested in accordance with Sections 9.1, 9.8, 9.9, or 9.11 of this policy;

(d) the terms of the loan require that the securities being held as collateral be:

(1) pledged to the School;

147 *Tex. Gov't. Code § 2256.0115*

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(2) held in the School's name; and

(3) deposited at the time the investment is made with the School or with a third party selected or approved by the Board;

(e) the loan is placed through a primary government securities dealer, as defined at 5 C.F.R. § 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in the State of Texas; and

(f) the agreement to lend securities has a term of one year or less.

Sec. 9.7. Banker's Acceptances.[148] A banker's acceptance is an authorized investment if it:

(a) has a stated maturity of 270 days or fewer from the date of its issuance;

(b) will be, in accordance with its terms, liquidated in full at maturity;

(c) is eligible for collateral for borrowing from a Federal Reserve Bank; and

(d) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than "A-1" or "P-1" or an equivalent rating by at least one nationally recognized credit rating agency.

Sec. 9.8. Commercial Paper.[149] Commercial paper is an authorized investment if it:

(a) has a stated maturity of 365 days or fewer from the date of issuance; and

(b) is rated not less than "A-1" or "P-1" or an equivalent rating by at least two (2) nationally recognized credit rating agencies or one (1) nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Sec. 9.9. Mutual Funds.

Sec. 9.9.1. *No-load Money Market Mutual Funds*.[150] No-load money market mutual funds are an authorized investment if they:

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148 *Tex. Gov't. Code § 2256.012*
149 *Tex. Gov't. Code § 2256.013*
150 *Tex. Gov't. Code § 2256.014(a)*

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(a) are registered with and regulated by the SEC;

(b) provide the School with a prospectus and other information required by the Securities and Exchange Act of 1934 (United States Code, Title 15 ("15 U.S.C.), Section 78a, et seq.) or the Investment Company Act of 1940 (15 U.S.C. § 80a-1, et seq.); and

(c) complies with federal SEC Rule 2a-7 (17 C.F.R. § 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. § 80a-1 et seq.).

Sec. 9.9.2. *No-load Mutual Funds*.[151] No-load mutual funds are an authorized investment if they:

(a) are registered with the SEC;

(b) have an average weighted maturity of less than two (2) years; and

(c) have a duration of one (1) year or more and either:

(1) is invested exclusively in obligations approved under Texas Government Code, Chapter 2256, Subchapter A; or

(2) the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

Sec. 9.9.3. *Prohibited Investments*.[152] The School may not invest:

(a) in the aggregate more than 15% of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in no-load mutual funds;

(b) any portion of bond proceeds, reserves, and funds held for debt service, in no-load market mutual funds; or

(c) its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described under Section 9.9.1 and 9.9.2 of this policy in an amount that exceeds 10% of the total assets of the mutual fund.

Sec. 9.10. Guaranteed Investment Contracts.[153]

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151 *Tex. Gov't. Code § 2256.014(b)*
152 *Tex. Gov't. Code § 2256.014(c)*
153 *Tex. Gov't. Code § 2256.015*

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Sec. 9.10.1. *In General*. A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

(a) has a defined termination date;

(b) is secured by obligations authorized under Section 9.1(a) of this policy, excluding those obligations described by Section 9.2 of this policy, in an amount at least equal to the amount of bond proceeds invested under the contract; and

(c) is pledged to the School and deposited with the School or with a third party selected and approved by the Board.

Sec. 9.10.2. *Qualifying Requirements*. To be eligible as an authorized investment, the following requirements must be met.

(a) The Board specifically authorizes the guaranteed investment contract as an eligible investment in a resolution authorizing the issuance of bonds.

(b) The School must receive bids from at least three (3) separate providers with no material financial interest in the bonds from which the proceeds were received.

(c) The School must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received.

(d) The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested.

(e) The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Sec. 9.10.3. *Limitation to Contract Term*. Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five (5) years from the date of issuance of the bonds.

Sec. 9.11. Investment Pools.[154]

Sec. 9.11.1. *In General*. An investment pool is an authorized investment if:

[154] *Tex. Gov't. Code § 2256.016*

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(a) the Board authorizes the investment in the particular pool through policy or resolution; and

(b) the investment pool only invests the funds that it receives in the investments authorized under Tex. Gov't. Code Chapter 2256, Subchapter A.

Sec. 9.11.2. *Receipt of Required Disclosure*. In order to invest in an investment pool, the Delegate or his designee must receive an offering circular or other similar disclosure instrument containing, at a minimum, the following information:

(a) the types of investments in which money is allowed to be invested;

(b) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;

(c) the maximum stated maturity date any investment security within the portfolio has;

(d) the objectives of the pool;

(e) the size of the pool;

(f) the names of the members of the advisory board of the pool and the dates their terms expire;

(g) the custodian bank that will safekeep the pool's assets;

(h) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;

(i) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;

(j) the name and address of the independent auditor of the pool;

(k) the requirements to be satisfied for the School to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the School to invest funds in and withdraw funds from the pool;

(l) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios; and

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(m) the pool's policy regarding holding deposits in cash.

Sec. 9.11.3. *Continued Receipt of Required Disclosures*. In order to continue investing in the investment pool, the Superintendent or his designee must receive the following information:

(a) investment transaction confirmations; and

(b) a monthly report that contains, at a minimum, the following information:

(1) the types and percentage breakdown of securities in which the pool is invested;

(2) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;

(3) the current percentage of the pool's portfolio in investments that have stated maturities of more than one (1) year;

(4) the book value versus the market value of the pool's portfolio, using amortized cost valuation;

(5) the size of the pool;

(6) the number of participants in the pool;

(7) the custodian bank that is safekeeping the assets of the pool;

(8) a listing of the School's daily transaction activity;

(9) the yield and expense ratio of the pool, including a statement regarding how the yield is calculated;

(10) the portfolio managers of the pool; and

(11) any changes or addenda to the offering circular.

Sec. 9.11.4. *Yield Calculation*. In this section, for purposes of an investment pool for which a $1.00 net asset value is maintained, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the SEC.

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Sec. 9.11.5. *Monitoring of Investment Pool Compliance*. The Superintendent or his designee shall monitor the investment pool's compliance with Section 9.11.2, 9.11.3 and 9.11.4 above and Texas Government Code § 2256.016(f)-(k).

Sec. 10. REPORT TO THE FINANCE COMMITTEE.

At each meeting, the Delegate must provide to the Finance Committee a report disclosing the status of any and all amounts invested under this policy. The Finance Committee may report to the Board its findings and make recommendations for the continuation, discontinuation or other change in the School's investments.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.320, Investment of Funds, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____

Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the use of public property by a third-party.

Sec. 2. APPLICABILITY.

Sec. 2.1. This policy applies to property acquired with Foundation School Program funds received by the School.[155]

Sec. 2.2. This policy applies to the use of public property by a third-party for an activity not directly related to the instruction provided by the School to students as provided by the open-enrollment charter.[156]

Sec. 2.3. This policy is limited to an authorized use, as established under Section 6 of this policy, of a school facility, as defined under Section 4.2 of this policy.

Sec. 2.4. Except as set forth under Section 2.3 of this policy, the School is not authorized to permit any use of any public property by a third party.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.330.

Sec. 3.2. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. PUBLIC PROPERTY DEFINED.

Sec. 4.1. Public property is property purchased with public funds received by the School[157] and includes:

(a) real property, including a lease interest and improvements to buildings, fixtures, utilities, landscaping, construction in progress, or other improvements; and

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155 *Tex. Educ. Code §§ 12.106; 12.107(a); 12.128(a)*
156 *Tex. Educ. Code § 12.102(1); 19 Tex. Admin. Code § 100.1001(21)*
157 *Tex. Educ. Code § 12.128(a); 19 Tex. Admin. Code § 100.1001(23)*

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personal property, including:

(1) furniture, equipment, supplies, and other goods;

(2) computer hardware and software;

(3) contract rights, intellectual property such as patents, and other intangible property;

(4) cash, currency, funds, bank accounts, securities, and other investment instruments;

(5) the right to repayment of a loan, advance, or prepayment or to the payment of other receivables; and

(6) any other form of personal property recognized by Texas law.[158]

Sec. 4.2. For purposes of this policy, school facility shall mean an auditorium, cafeteria, cafetorium, classroom, conference room, meeting room, training room, gymnasium, practice field, and stadium.

Sec. 5. THIRD PARTY DEFINED.

Sec. 5.1. In this policy, third party means any group formed independently of the School as an unincorporated nonprofit association[159] or a nonprofit corporation[160] including:

(a) Parent-teacher association or organization.
(b) Booster clubs.
(c) American Legion.
(d) Boy Scouts.
(e) Camp Fire.
(f) Girl Scouts.
(g) Lions Club International.
(h) Rotary Club.
(i) Any other group formed independently of the School as an unincorporated nonprofit association or a nonprofit corporation approved by the Board in a resolution.

Sec. 5.2. Third party does not include any internal employee or student group.

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158 *19 Tex. Admin. Code § 100.1001(14); (22); (24)*
159 *Tex. Bus. Org. Code, Chapter 252*
160 *Tex. Bus. Org. Code, Chapter 22*

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Sec. 5.3. Third party does not include any for-profit entity or individual.

Sec. 6. USE OF PUBLIC PROPERTY.

Sec. 6.1. Public property may be used only for a purpose for which a school district may use school district property and only to implement a program that is described in the open-enrollment charter and is consistent with Texas Education Code § 12.107.[161]

Sec. 6.2. The limitation under Section 6.1 of this policy notwithstanding, the Board finds that:

(a) The predominant purpose of allowing a use consistent with the School's purposes set forth in its Certificate of Formation, as amended, is to accomplish a public purpose[162] and not to benefit private parties;[163]

(b) The use shall provide a clear, public benefit in return;[164] and

(c) Sufficient control shall be retained over the use to ensure that the public purpose is accomplished, and a return benefit is received.[165]

Sec. 6.3. Limited to the property identified in Section 4.2 and subject to the requirements of Section 6.4 of this policy, the School may allow the use of a school facility by a third party for athletic, charitable, civic, educational, recreational, religious, scientific, or social activities.[166]

Sec. 6.4. The School may only allow the use of a school facility by a third party if the use does not conflict with the School's athletic events, educational and instructionally-related activities, cocurricular and extracurricular activities, maintenance work, meetings, professional development workshops and trainings, student performances and practices, and other School activities, events, functions, and programs which must, at all times, take precedent over any third party use.

Sec. 6.5. The School must not allow the use of a school facility for a purpose that is inconsistent with the purpose established in the School's Certificate of Formation, as amended.

Sec. 6.6. The School must not allow a use of a school facility by any organization or person that is not authorized by the Board under this policy.

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161 *Tex. Educ. Code § 12.128(a)(3); 19 Tex. Admin. Code § 100.1091(c)*
162 *Tex. Att'y Gen. Op. No. GA-0743 (2009)*
163 *Tex. Att'y Gen. Op. No. GA-0076 (2003)*
164 *Tex. Att'y Gen. Op. No. KP-0099 (2016)*
165 *Tex. Att'y Gen. Op. No. GA-0076 (2003)*
166 *Tex. Bus. Org. Code 2.002(1)*

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Sec. 6.7. The School must require a third party using a school facility under this policy to adequately supervise its use, including having an appropriate number of chaperones.

Sec. 6.8. The School may allow the use of a school facility by a local, state or federal governmental agency during an officially declared disaster or other emergency.

Sec. 7. FEES.

Sec. 7.1. The School must charge a fee to a third party for the use of a school facility. The Delegate or designee must establish and publish a fee(s) that adequately covers the cost of ensuring that the school facility is appropriately maintained and safeguarded during third party use and for cleaning the school facility after third party use.

Sec. 7.2. The Delegate or designee must collect the fee(s) in advance and deposit the fee(s) collected into the School's general operating account and fund.

Sec. 7.3. A third party must forfeit its prepaid fee(s) pursuant to Section 9.1(j)(3)(B) of this policy.

Sec. 7.4. The School must not collect a fee(s) from parent-teacher associations or organizations, booster clubs, or internal employee or student groups.

Sec. 7.5. In an administrative procedure adopted under Section 10 of Policy PG-5.001, the Delegate or designee may waive the collection of a fee(s) from a third party.

Sec. 8. THIRD PARTY CONDUCT.

Sec. 8.1. A third party must bear responsibility for the action(s) or failure(s) to act of its officers, employees, agents, attendees, participants, spectators, sponsors, and visitors directly or indirectly relating to its use of the school facility.

Sec. 8.2. A third party must agree to comply with all applicable statutes, regulations, regulatory agency directives and policies, this policy, and any administrative procedures adopted under Section 10 of Policy PG-5.001.

Sec. 8.3. A third party must agree to prohibit the possession or use of:

(a) alcoholic beverages;

(b) firearms, knives or any other weapon;

(c) food, including beverages, in the school facility, other than in the cafeteria or other designated area(s); and

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(d) tobacco products anywhere on or in the school facility.

Sec. 8.4. A third party must agree to leave the school facility in the same condition as it was received and to not alter the school facility in any respect, unless so approved in advance by the Delegate.

Sec. 8.5. The Delegate or designee may stipulate other required conduct in the agreement under Section 9 of this policy or the administrative procedures adopted under Section 10 of Policy PG-5.001.

Sec. 9. APPLICATION AND AGREEMENT REQUIRED.

Sec. 9.1. The Delegate or designee must require that a third party submit an application to request the use of a school facility at least ten (10) business days prior to the first day of the requested use. The application must provide:

(a) the name of the legal entity, assumed name (if any), the official physical address of its central administrative office, and official telephone number;

(b) the type of legal entity conforming with Section 5.1 of this policy;

(c) the requested school facility;

(d) the date(s) and time(s) of the requested use;

(e) the purpose of the requested use, event name, and a statement disclosing the activity to be undertaken;

(f) if the event will be closed or open to the general public;

(g) the number of attendees;

(h) if food will be served;

(i) evidence of liability insurance coverage with the School named as the certificate holder;

(j) an acknowledgement that:

(1) the request will be approved on a first-come, first served basis;

(2) School activities, events, functions, and programs shall preempt the requested and approved use at all times; and

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(3) the School reserves the right to cancel the requested use if:

(A) an unanticipated conflict arises under Section 9.1(j)(2) of this policy; and

(B) if the third party violates its agreement, this policy and related administrative procedures, and applicable law; and

(k) the printed name, signature, and date of signature of a duly authorized representative certifying the information provided on the application.

Sec. 9.2. The Delegate or designee must require that a third party execute a written agreement, including the approved application as an attachment or exhibit. The Delegate or designee must seek legal counsel during the preparation and adoption of the agreement to ensure that the School's interests are protected.

Sec. 9.3. The Delegate or designee may only bind the School to a term concluding at the end of the fiscal year during which the agreement is fully executed. The School must not allow any renewals. A third party desiring to use a school facility in a subsequent fiscal year must apply anew.

Sec. 9.4. The third party must agree to release the School from any and all liability for any damage to personal property or personal injury.

Sec. 9.5. The third party must agree to bear the cost of any damage(s) to the school facility resulting from its use.

Sec. 10. REQUIRED APPROVAL.

Sec. 10.1. The Delegate or designee must approve a third-party request to use a school facility.

Sec. 10.2. If adopted as an administrative procedure under Section 10 of Policy PG-5.001, a campus principal may approve a third-party request to use a school facility on the principal's own campus.

Sec. 10.3. The Delegate or designee, or campus principal, may deny a third request to use a school facility if it does not conform to the requirements of this policy in any respect.

Sec. 10.4. The Delegate or designee, or campus principal, may cancel any previously approved third party request to use a school facility under Section 9.1(j)(3) of this policy.

Sec. 10.5. The Board must approve the final agreement prior to final execution by the Board's designee.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.330, Third-Party Use of Public Property, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____
Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the advance payment of salary or wages to an employee.

Sec. 2. APPLICABILITY.

Unless otherwise indicated, this Policy PG-5.410 applies to the disbursement of School funds to employee as an advance of their salary or wages or as a loan to be repaid from future salary or wages.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Controlling Policy. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.410.

Sec. 3.2. Delegate. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 3.3. Prudent Person Rule. See Policy PG-5.001, Section 7.

Sec. 3.4. Abuse and Waste Prohibited. See Policy PG-5.001, Section 8.

Sec. 4. PAYROLL ADVANCES AND LOANS PROHIBITED.

The School does not issue payroll advances or loans to employees.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.410, Payroll Advances, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the provision of an employee assistance program.

Sec. 2. APPLICABILITY.

Sec. 2.1. This policy applies to philanthropic funds and to Foundation School Program funds received by the School ("FSP Funds"), including cash, currency, funds, bank accounts, securities, and other investments constituting public property.[167]

Sec. 2.2. This policy does not apply to Federal funds or state grant funds.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.490.

Sec. 3.2. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. LIMITATION POLICY.

This policy is limited to qualified and highly effective personnel. See Section 9 of this policy.

Sec. 5. INTENT AND PUBLIC PURPOSE OF POLICY.

Sec. 5.1. Through this policy, the Board recognizes that the School must retain qualified and highly effective personnel for the benefit of the School's students.[168] The Board further understands that School personnel may experience setbacks that may prompt them to separate from employment with the School or take other action that may not benefit the School's students. Finally, the Board realizes that an unfavorable consequence to the School's students may be averted through the provision of temporary financial assistance to the affected personnel. Accordingly, the Board finds that the public purpose of this policy is to provide the School's students with quality instruction by ensuring that the School retains qualified and highly effective personnel. The Board also finds that the public will receive a clear benefit in return through the quality education received by students from the qualified and highly effective personnel retained. Further, for the reasons stated

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167 *Tex. Educ. Code §§ 12.106(a); 12.107(a)(1);12.128(a); 19 Tex. Admin. Code § 100.1001(22)(D)*
168 *Tex. Educ. Code §§ 12.102(1); 12.107(a)(2); 12.128(a)*

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above, the Board finds that expenses made pursuant to this policy are necessary in the conduct of public schools overseen by the Board.

Sec. 5.2. The Board finds that:

(a) the predominant purpose for providing temporary financial assistance to qualified and highly effective personnel is to accomplish a public purpose[169] and not to benefit private parties;[170]

(b) the public purpose declared under Section 5.1 of this policy is consistent with that established in state law under Texas Education Code §§ 4.001(b),[171] 12.001(a)(3),[172] and 45.105(c)[173];

(c) the use of FSP funds must provide a clear, public benefit in return;[174]

(d) the temporary financial assistance authorized by the Board under this policy does not constitute the lending of the state's credit to an individual if the requirements of this policy are strictly observed;[175] and

(e) sufficient control must be retained to ensure that the public purpose is accomplished, and a return benefit is received, if the requirements of this policy are strictly observed.[176]

Sec. 6. COMMUNITY RESOURCES; PHILANTHROPIC FUNDING.

Prior to using FSP Funds, the Delegate or designee must identify community resources and providers of emergency, transitional, and permanent housing and social services and inform the affected employee of said resources and providers. After the community resources and providers have been exhausted, the Delegate or designee may use private philanthropic funds, including the Employee Assistance Fund established under Section 7 of this policy.

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169 *Tex. Att'y Gen. Op. No. GA-0743 (2009)*
170 *Tex. Att'y Gen. Op. No. GA-0076 (2003)*
171 Objective 6: Qualified and highly effective personnel will be recruited, developed, and retained.
172 The purposes of [Chapter 12] are to[…] create professional opportunities that will attract new teachers to the public school system;
173 Except as otherwise prohibited, for other purposes necessary in the conduct of the public schools determined by the Board.
174 *Tex. Att'y Gen. Op. No. KP-0099 (2016)*
175 *Tex. Att'y Gen. Op. No. GA-0743 (2009)*
176 *Tex. Att'y Gen. Op. No. GA-0076 (2003)*

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Sec. 7. EMPLOYEE ASSISTANCE FUND.

Sec. 7.1. The Delegate or designee may establish an Employee Assistance Fund and may solicit and encourage voluntary contributions from School personnel to provide temporary financial assistance to their colleagues. Such voluntary contributions to establish and sustain an Employee Assistance Fund can be recurring and nominal.

Sec. 7.2. The Delegate or designee must maintain separate and distinct accounting, auditing, budgeting, recordkeeping, reporting systems for the Employee Assistance Fund. Notably, the Delegate or designee must uniquely identify the fund with a locally defined net asset (fund) code.[177]

Sec. 7.3. The School's independent auditor must annually audit the fund.[178]

Sec. 8. FSP FUNDS AUTHORIZED.

In accordance with Section 8 of this policy, the Delegate may authorize the use of FSP Funds after the community resources and providers and philanthropic funds required under Section 6 of this policy have been exhausted. The Delegate must limit the aggregate allocation of FSP Funds to an amount not exceeding five thousand dollars ($5,000.00). If the Delegate determines that an additional allocation of FSP Funds is necessary, the Delegate must submit to the Board for its consideration either a proposed amendment to this Sec. 8 or a written request for a temporary increase.

Sec. 9. ELIGIBILITY.

The Delegate may approve temporary financial assistance to an employee demonstrating quality and effective performance, as documented in the employee's performance evaluation(s) maintained in their personnel file.

Sec. 10. WRITTEN REQUEST; APPROVAL OR DENIAL.[179]

An employee interested in temporary financial assistance must submit a written request in the form adopted by the Delegate. The Delegate may approve or deny the employee's written request. To approve the request, the Delegate must conclude that the public purpose under Sec. 5.1 of this policy has been met.

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177 *Tex. Att'y Gen. Op. No. GA-0076 (2003); GA-0743 (2009); KP-0099 (2016)*
178 *Ibid*
179 *Ibid*.

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Sec. 11. AGREEMENT REQUIRED.[180]

Upon approval, the employee must sign and date an agreement in the form adopted by the Delegate. At a minimum, the employee must agree to the following terms and conditions:

(a) Repay the temporary financial assistance through automatic deductions from the employee's salary or wages over a period not exceeding twenty-four (24) months from the date the employee receives the funds.

(b) Continue employment with the School until the temporary financial assistance is repaid in full.

(c) In the event that the employee separates from employment with the School prior to the repayment of the temporary financial assistance, authorize the garnishment of the employee's final payroll disbursement for the outstanding amount.

(d) Acknowledge that any temporary financial assistance amount outstanding that is not repaid within thirty (30) calendar days from the date that the employee separates from employment with the School will be reported to the U.S. Internal Revenue Service as taxable income.

[180] *Ibid*.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.490, Employee Assistance Program, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

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Isaac Ledesma, Secretary

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Date Certified

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Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the purchase of property and services with Federal, state, and local funds.

Sec. 2. APPLICABILITY.

This policy pertains to the purchase of any and all goods and services from local, state and federal funds.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. Controlling Policy. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.510.

Sec. 3.2. Delegate. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001. The Delegate or designee must apply appropriate disciplinary action(s) for the violation of this policy by an employee.

Sec. 3.3. Prudent Person Rule. See Policy PG-5.001, Section 7.

Sec. 3.4. Abuse and Waste Prohibited. See Policy PG-5.001, Section 8.

Sec. 3.5. Fiduciary Duty. See Policy PG-5.030, Section 4.

Sec. 4. DEFINITIONS.

Sec. 4.1. Component purchases means purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.[181]

Sec. 4.2. Micro-purchase threshold means $10,000 for funds administered by the Texas Department of Agriculture and $100,000 for state or other federal funds, unless a higher threshold is adopted by the Delegate under an administrative procedure conforming to Section 6.3.1.5 of this policy and PG-5.001, Section 10.[182]

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[181] *Tex. Educ. Code § 44.032(a)(1)*
[182] *ARM Sec. 17; 2 C.F.R. § 200.1*

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Sec. 4.3. Officer has the meaning set forth at PG-5.001, Section 5.

Sec. 4.4. Non-professional services means any service not specifically identified as a professional service under Section 4.6 of this policy.

Sec. 4.5. Personal property has the meaning set forth at PG-5.310, Section 4.2.

Sec. 4.6. Professional services means services:

(a) Within the scope of the practice, as defined by state law, of:

(1) Accounting;
(2) Architecture;
(3) Landscape architecture;
(4) Land surveying;
(5) Medicine;
(6) Optometry;
(7) Professional engineering;
(8) Real estate appraising; or
(9) Professional nursing; or

(b) Provided in connection with the professional employment or practice of a person who is licensed or registered as:

(1) A certified public accountant;
(2) An architect;
(3) A landscape architect;
(4) A land surveyor;
(5) A physician, including a surgeon;
(6) An optometrist;
(7) A professional engineer;
(8) A state certified or state licensed real estate appraiser; or
(9) A registered nurse or

(c) Provided by a person lawfully engaged in interior design.[183]

Sec. 4.7. Public works means the construction, alteration, renovation, or repair of a public building, structure, road, highway, or other improvement or addition to real property.[184]

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[183] *Tex. Gov't. Code § 2254.002(2)*
[184] *Tex. Gov't. Code § 2269.001(6); Tex. Local Gov't. Code § 271.024*

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Sec. 4.8. Separate purchases means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase.[185]

Sec. 4.9. Sequential purchases means purchases, made over a period, of items that in normal purchasing practices would be purchased in one purchase.[186]

Sec. 4.10. Services means professional and non-professional services.

Sec. 4.11. Simplified acquisition threshold means $100,000 for funds administered by the Texas Department of Agriculture and for public works contracts and $350,000 for state or other federal funds.[187]

Sec. 5. GENERAL REQUIREMENTS APPLICABLE TO ALL PURCHASES.

The policy requirements established under this Section 5 shall apply to all purchases of goods and services regardless of fund source used.

Sec. 5.1. Authority to Procure Goods and Services.[188]

Sec. 5.1.1. The Delegate or designee may approve the procurement of goods and services conforming with this policy and applicable law up to the amounts authorized by the Board in the Adopted Budget, as amended.[189]

Sec. 5.1.2. The Delegate or designee may not approve the procurement of goods and services that result in an expenditure of funds in excess of the item(s) appropriated in the Adopted Budget, as amended.

Sec. 5.1.3. The Delegate or designee may not approve a procurement of goods and services failing to conform with this policy and applicable law.

Sec. 5.2. Benefit of the Students.

The School shall only acquire goods and services for the benefit of the School's students and that provide best value to the students.[190]

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185 *Tex. Educ. Code § 44.032(a)(2)*
186 *Tex. Educ. Code § 44.032(a)(3)*
187 *ARM Sec. 17; 2 C.F.R. § 200.1; Tex. Educ. Code § 44.031(a)*
188 *Tex. Educ. Code § 44.052*
189 *PG-5.021, Sec. 4.7*
190 *Tex. Educ. Code § 12.107(a); 19 Tex. Admin. Code § 100.1063(a)(2)*

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Sec. 5.3. Contract Required.

The School may only procure goods and services with a cost or value exceeding the Simplified Acquisition Threshold through a fully executed contract or other written legal agreement signed by all parties that protects the School's interests in the underlying business arrangement and transaction.[191]

Sec. 5.4. Board Approval Required.

Prior to executing any contract for the procurement of goods and services, the Board shall approve the contract.[192]

Sec. 5.5. Conflicted, Interested, and Related Party Transactions.

Sec. 5.5.1. The Board shall approve or disapprove any business arrangement or transaction with an individual that is an Officer[193] and any conflicted,[194] interested,[195] or related party,[196] as defined in other Board policy or applicable law.

Sec. 5.5.2. The School may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 5.6. Corporate Credit Accounts.[197]

See Board Policy PG-5.220 relating to Corporate Credit Accounts.

Sec. 5.6.1. *Purchasing Thresholds*. Employees authorized to use the corporate credit account(s) may do so pursuant to the following thresholds.

(a) The Superintendent, Chief Financial Officer, Chief Academic Officer, Chief Information Officer, General Counsel and assistant superintendents may purchase goods and/or services through their assigned corporate credit account(s) for individual transactions not exceeding the micro-purchase threshold.

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191 *Tex. Educ. Code §§ 12.107(a)(2); 12.115(a)(2); 12.1162(a)(2); 19 Tex. Admin. Code § 100.1063(a)(2); 2 C.F.R. § 200.302(b)(4); 200.303(a)*
192 *PG-5.001, Sec. 3.1(d); (j); Sec. 6.2*
193 *PG-5.001, Sec. 5*
194 *Tex. Educ. Code § 12.1054; 19 Tex. Admin. Code § 100.1145 through 100.1151*
195 *19 Tex. Admin. Code § S100.1067(f)*
196 *Tex. Educ. Code § 12.1166; 19 Tex, Admin. Code § 100.1069(1)*
197 *Tex. Educ. Code § 12.107(a)(2); 12.115(a)(2); 12.1162(a)(2); 19 Tex. Admin. Code § 100.1063(a)(2); 2 C.F.R. § 200.302(b)(4); 200.303(a)*

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(b) Campus principals and other employees may purchase goods and/or services through their assigned corporate credit account(s) for individual transactions not exceeding $2,500.00.

Sec. 5.6.2. *Method of Procurement*. Employees authorized to use a corporate credit account(s) to purchase goods and services are required to and shall be responsible for procuring goods and services pursuant to the procurement methods identified in this policy.

Sec. 5.6.3. *Required Records*. Employees authorized to use a corporate credit account(s) must document each purchase through their assigned corporate credit account(s).

Sec. 5.6.4. *Failure to Document*. If an employee fails to provide the required records pursuant to Section 5.6.3 of this policy, the employee may be financially liable for the costs charged to the corporate card.

Sec. 5.7. Employee Purchases Prohibited.

School employees are prohibited from conducting any transaction that results in the purchase of goods and services and that obligates School funds and otherwise results in the expenditure of School funds except as provided in this and other Board policy. If a School employee fails to follow this policy to purchase goods and services, the employee may be financially responsible for any expenses incurred regardless of the benefit to the School and its students.

Sec. 5.8. Officer Responsible.

Each School Officer must be responsible for all expenses from the budget approved for their department or campus. Each Officer (or designee) must work with the Delegate or designee to purchase goods and services pursuant to this policy. Alternatively, the Officer may use the corporate credit account(s) to purchase goods and services up to the limits established in this policy.

Sec. 5.9. Purchase Order System.

Sec. 5.9.1. *Purchase Orders*. The Delegate or designee must establish and maintain a purchase order system. The purchase order must serve as the formal method for procuring goods and/or services from a vendor and must have the effect of obligating the School to remit payment to the vendor upon receipt of the goods and/or services purchased and of the related invoice.[198]

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[198] *Tex. Bus. & Com. Code § 2.206(a)(2); Tex. Educ. Code § 12.115(a)(2); 12.1162(a)(2); 2 C.F.R. § 200.302(b)(4); 200.303(a); F.A.S.R.G. Update 19 (2024) Module 5 (5.53 Purchase Orders)*

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Sec. 5.9.2. *Required Approvals*. Only the Delegate or designee are authorized to approve purchase orders.

Sec. 5.9.3. *Issuance Prohibited*. School employees may not issue a purchase order to a vendor unless it has been approved by the Delegate or designee.

Sec. 5.9.4. *Failure to Properly Issue*. If a School employee issues a purchase order to a vendor without the required approvals established in Subsection 5.9.2 of this policy, the employee may be financially responsible for the purchase.

Sec. 5.10. Qualified Vendors.[199]

Sec. 5.10.1. School officers and employees shall only procure goods and/or services from qualified vendors.

Sec. 5.10.2. For purposes of this policy, a qualified vendor is a responsible contractor possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Sec. 5.10.3. To provide fair and open competition for each procurement, School officers and employees must consider the following matters in determining if a vendor is qualified:

(a) Purchase price.
(b) Contractor integrity.
(c) Extent to which the goods or services meet the School's needs.
(d) Financial and technical resources.
(e) Quality of the vendor's goods or services.
(f) Record of past performance, including:
    (1) Reputation of the vendor and of the vendor's goods or services.
    (2) Vendor's past relationship with the School and other public schools.
(g) Total cost to the School to acquire the vendor's goods or services.

Sec. 5.10.4. The Delegate or designee may maintain a list of qualified vendors to facilitate the procurement process.

Sec. 5.11. Receipt of Goods and Services.

The Delegate or designee must establish and maintain a system for documenting the receipt of goods and services from a vendor including the condition and number of items received, the

[199] *Tex. Educ. Code § 44.031(b); 2 C.F.R. § 200.318(h)*

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satisfactory performance of services rendered, and any dispute with the condition and number of items or performance of services.[200]

Sec. 5.12. Segregation of Duties; Checks and Balances.

The Delegate must ensure an appropriate segregation of duties between the following functions:

(a) Preparation of purchase requisitions and purchase orders;

(b) Solicitation of quotes or preparation of requests for bids, proposals or qualifications;

(c) Receipt of personal property and/or services and preparation of receiving report attesting to receipt of purchased property;

(d) Receipt of invoices and reconciliation of invoices to receiving reports and purchase orders;

(e) Preparation of payment requests;

(f) Accounting for purchases; and

(g) Approval for all of the above.[201]

Sec. 5.13. Separate, Sequential or Component Purchases Prohibited.

The Delegate or designee and School employees are prohibited from making or authorizing separate, sequential, or component purchases to avoid the requirements of this policy.[202]

Sec. 5.14. Signature Authority.

Sec. 5.14.1. Only the Delegate or designee may execute contracts or other written legal agreements that obligate the School to disburse funds for the receipt of goods and/or services with a cost or value of less than the simplified acquisition threshold.

Sec. 5.14.2. Only the Board's designee(s) may execute a contract for goods and/or services with a cost or value exceeding the simplified acquisition threshold.

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200 *Tex. Educ. Code § 12.115(a)(2); 12.1162(a)(2); 2 C.F.R. § 200.318(b); 200.303(a); F.A.S.R.G. Update 19 (2024) Module 5 (5.54 Receiving and Distributing Purchases)*
201 *F.A.S.R.G. Update 19 (2024) Module 5 (5.50.2.2 Segregation of Duties)*
202 *Tex. Educ. Code § 44.032*

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Sec. 6. AUTHORIZED PROCUREMENT METHODS.

Except as provided in Section 7 of this policy for professional services and Section 8 of this policy for public works, School officers and employees must procure goods and services as set forth in this Section 6.

Sec. 6.1. Purchase with Local Funds.

Sec. 6.1.1. *No Method Required*. School officers and employees may procure goods and services valued at less than the simplified acquisition threshold through the most expedient manner available.

Sec. 6.1.2. *Quotes*. School officers and employees must procure goods and services valued at the simplified acquisition threshold or more in the aggregate through the solicitation of two (2) or more written quotes from qualified vendors.

Sec. 6.2. Purchases with State Funds.[203]

Sec. 6.2.1. *No Method Required*. School officers and employees may procure goods and services valued at less than the micro-purchase threshold through the most expedient manner available.

Sec. 6.2.2. *Quotes*. School officers and employees must procure goods and services valued at no less than the micro-purchase threshold and at no more than the simplified acquisition threshold in the aggregate through the solicitation of two (2) or more written quotes from qualified vendors.

Sec. 6.2.3. *Bids or Proposals*. School officers and employees must procure goods and services valued at the simplified acquisition threshold or more in the aggregate through the solicitation of bids or proposals, as appropriate.

Sec. 6.3. Purchases with Federal Funds.

Sec. 6.3.1. Procurement by Micro-Purchase Procedure**.**

Sec. 6.3.1.1. *No Method Required*. If the aggregate amount of the procurement transaction does not exceed the micro-purchase threshold, School officers and employees may procure supplies[204] or services without soliciting competitive quotes through the most expedient manner available.[205]

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[203] *Tex. Educ. Code § § 12.115(a)(2); 12:1162(a)(2); F.A.S.R.G. Update 19 (2024) Module 2 (2.6 Purchasing); Module 5*
[204] *2 C.F.R. § 200.1*
[205] *2 C.F.R. § 200.320(a)(1(i)-(ii)*

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Sec. 6.3.1.2. *Reasonableness of Price*. If a micro-purchase is made without soliciting competitive quotes, School officers and employees must document that the price is reasonable based on research, experience, purchase history or other information.[206]

Sec. 6.3.1.3. *Equitable Distribution*. To the extent practicable, the School should distribute micro-purchases equitably among qualified vendors.[207]

Sec. 6.3.1.4. *Use of Corporate Credit*. School officers and employees may use their assigned corporate credit account(s) for a micro-purchase pursuant to the administrative procedures adopted by the Delegate.[208]

Sec. 6.3.1.5. *Adoption of Higher Micro-Purchase Threshold*. The Delegate may adopt a higher micro-purchase threshold pursuant to the policy directives of the Texas Education Agency or other regulatory agency. For programs and funds administered by the Texas Department of Agriculture, the Delegate must obtain prior written approval.[209]

Sec. 6.3.2. Procurement by Simplified Acquisition Procedures.

School officers and employees must procure property or services valued at no less than micro-purchase threshold and no more than the simplified acquisition threshold in the aggregate through the solicitation of three (3) or more written competitive quotes from qualified vendors.[210]

Sec. 6.3.3. Procurement by Sealed Bids.

Sec. 6.3.3.1. School officers and employees must procure property or services valued at the simplified acquisition threshold or more in the aggregate through the public solicitation of sealed bids if the necessary conditions are present and if the applicable requirements are met.[211]

Sec. 6.3.3.2. The School may only award a firm fixed price contract to the responsible bidder whose bid conforms with all the material terms and conditions of the invitation for bids and is the lowest price.[212]

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206 *2 C.F.R. § 200.320(a)(1)(ii)*
207 *2 C.F.R. § 200.320(a)(1)(i)*
208 *2 C.F.R. § 200.320(a)(1)(ii)*
209 *2 C.F.R. § 200.320(a)(1)(iii)-(iv)*
210 *2 C.F.R. § 200.320(a)(2)(i); ARM Sec. 17*
211 *2 C.F.R. § 200.320(b)(1)*
212 *2 C.F.R. § 200.320(b)(1)(C)*

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Sec. 6.3.4. Procurement by Competitive Proposals.

Sec. 6.3.4.1. If the conditions are not appropriate for the use of sealed bids, School officers and employees must procure property or services valued at the simplified acquisition threshold or more in the aggregate through competitive proposals in accordance with applicable requirements.[213]

Sec. 6.3.4.2. The School may award either a fixed price or cost-reimbursement type contract to the responsible offeror whose proposal is most advantageous to the School, with price and other factors considered.[214]

Sec. 6.3.5. Procurement by Noncompetitive Proposals.[215]

School officers and employees may only procure property or services through the solicitation of a quote, bid or proposal from only one source only when one or more of the following documented circumstances apply.

(a) The aggregate amount of the procurement does not exceed the micro-purchase threshold.

(b) The procurement transaction can only be fulfilled by a single source.

(c) The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation.

(d) The Federal awarding agency or pass-through entity provides written approval for a noncompetitive procurement in response to a written request from the School.

(e) After solicitation several sources, competition is determined inadequate.

Sec. 6.3.6. Other Procurement Requirements.

The Delegate or designee must ensure that School officers and employees procure property and services in accordance with the following Federal procurement standards:

(a) Analysis of contract cost and price.[216]
(b) Avoidance of unnecessary or duplicative items.[217]
(c) Contract provisions.[218]

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213 *2 C.F.R. § 200.320(b)(2)*
214 *2 C.F.R. § 200.320(b)(2)(iii)*
215 *2 C.F.R. § 200.320(c)*
216 *2 C.F.R. § 200.324*
217 *2 C.F.R. § 200.318(d)*
218 *2 C.F.R. § 200.327*

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(d) Domestic preferences for procurements.[219]
(e) Exclusion of conflicted contractors.[220]
(f) Maintenance of records sufficient to detail the history of a procurement.[221]
(g) Required solicitation content.[222]
(h) Use of prequalified lists of vendors or products.[223]
(i) Written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.[224]
(j) Written standards of conduct covering organizational conflicts of interest.[225]
(k) Other applicable legal requirements.

Sec. 6.4. Purchases through Cooperative.[226]

Sec. 6.4.1. *General*. School officers and employees may use local, state or federal funds to procure goods or services through a cooperative that provides written assurance of compliance with purchasing law.

Sec. 6.4.2. *Due Diligence*. School officers and employees must ensure that the use of Federal funds for a procurement of goods or services through a cooperative complies with the applicable Federal procurement standards. School officers and employees must maintain supporting documentation to this effect.

Sec. 6.4.3. *Exception*. If a participating vendor in the purchasing cooperative program quotes a lower price for the same goods or services, School officers and employees may procure the goods and services using the vendor's direct quote.

Sec. 7. PROCUREMENT OF PROFESSIONAL SERVICES.[227]

Sec. 7.1. Selection of Provider.

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219 *2 C.F.R. § 200.322*
220 *2 C.F.R. § 200.319(b)*
221 *2 C.F.R. § 200.318(i)*
222 *2 C.F.R. § 200.319(d)*
223 *2 C.F.R. § 200.319(e)*
224 *2 C.F.R. § 200.318(c)(1)*
225 *2 C.F.R. § 200.318(c)(2)*
226 *Tex. Educ. Code §§ 12.1058(a)(1); 12.115(a)(2); 12.1162(a)(2); F.A.S.R.G. Update 19 (2024); 2 C.F.R. 200.318(e)*
227 *Tex. Educ. Code § 12.1053(b)(2); Tex. Gov't. Code, Chapter 2254, Subchapter A*

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Sec. 7.1.1. The Board and Delegate or designee must not select a provider of professional services or a group or association of providers or award a contract for professional services on the basis of competitive bids submitted for the contract or for the professional services.

Sec. 7.1.2. The Board and Delegate or designee must select the provider for the professional service to be procured based on the following criteria:

(a) The provider's demonstrated competence and qualifications to perform the services; and

(b) The fairness and reasonableness of the provider's price.

Sec. 7.2. Contract for Professional Service of Architect, Engineer or Surveyor.

Sec. 7.2.1. In procuring architectural, engineering, or land surveying services, the Board and Delegate or designee must:

(a) First select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and

(b) Then attempt to negotiate with that provider a contract at a fair and reasonable price.

Sec. 7.2.2. If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the Board and Delegate or designee must:

(a) Formally end negotiations with that provider;

(b) Select the next most highly qualified provider;

(c) Attempt to negotiate a contract with that provider at a fair and reasonable price; and

(d) Continue the process described in subsections (a) through (c) to select and negotiate with providers until a contract is entered into.

Sec. 8. PROCUREMENT OF PUBLIC WORKS.

Sec. 8.1. Rules and Procedures.

Pursuant to Texas Education Code § 44.031(d) and Texas Government Code § 2269.051, the Board may adopt rules and procedures for the acquisition of goods or services related to public works, including construction services.

Sec. 8.2. Delegation of Authority.

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Sec. 8.2.1. *Authority to Procure Construction Services*. The Board may delegate its authority under Chapter 2269 regarding an action authorized or required by Chapter 2269 to a designated representative, committee, or other person. If the Board delegates its authority to a designated representative, committee, or other person, the School must provide notice of the delegation, the limits of the delegation, and the name or title of each person designated by rule or in the request for bids, proposals, or qualifications or in an addendum to the request.

Sec. 8.2.2. *Authority to Contract*. Unless otherwise authorized by the Board, only a Board member, the Delegate, or the Delegate's designee must be authorized to sign contracts obligating the School to disburse public funds for public works.

Sec. 8.3. Authorized Methods of Procurement.

Sec. 8.3.1. With the exception of the competitive bidding method, the Board must determine which method set forth in this subsection provides the best value for the School before it advertises for requests for bids, proposals or qualifications.

Sec. 8.3.2. The School must base its selection among offerors on applicable criteria listed for the particular method used. The School must publish in the request for bids, proposals or qualifications the criteria that will be used to evaluate the offerors and the applicable weighted value for each criterion.

Sec. 8.3.3. Within seven (7) days after the date the contract is awarded, the School must document the basis of its selection and shall make the evaluations, including any scores, public and provide them to all offerors.

Sec. 8.3.4. The Board or designee may award a contract for construction services using one of the following methods:

(a) Competitive bidding,
(b) Competitive sealed proposal,
(c) Construction manager-agent,
(d) Construction manager-at-risk,
(e) Design-build, or
(f) Job order contracts.

Sec. 8.3.5. Unless determined otherwise by the Board, the School must procure construction services using the competitive bidding method of procurement.

Sec. 8.3.6. The Delegate may recommend to the Board a method of procurement, other than the competitive bidding method, from those listed under Subsection 6.4.3.4. In this event, the Delegate

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must provide the Board with a written proposal, including the justification for utilizing a different method of procurement.

Sec. 8.3.7. In the event that the Board determines that another procurement method is in the School's best interest, the Board's determination will be documented in the minutes to the pertinent Board meeting.

Sec. 8.3.8. The Board and School may seek legal and professional advice and counsel regarding the legal and other requirements applicable to the procurement method selected by the Board.

Sec. 8.4. Notice.

The School must publish a notice of the time by when and the place where the bids or proposals, or the responses to a request for qualifications, will be received and opened. The School must publish the notice in the county in which its central administrative office is located, once a week for at least two weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications. If there is not a newspaper in that county, the School must publish its advertisement in a newspaper in the county nearest the county seat of the county in which its central administrative office is located. In a two-step procurement process, the School is not required to separately publish the time and place where the second-step bids, proposals, or responses will be received.

Sec. 8.5. Response to Requests for Bids, Proposals or Qualifications.

Sec. 8.5.1. *Sealed Bids, Proposals or Qualifications Required*. A person who submits a bid, proposal, or qualification is required to seal it before delivery. The Delegate or designee must reject any bid, proposal or qualification that is not sealed and return it to the offeror with a statement:

(a) Representing that the bid, proposal or qualification was not opened, viewed or otherwise examined;

(b) Asserting that the content and form of the bid, proposal, or qualification was not duplicated or disseminated with any person or entity; and

(c) Instructing the offeror to resubmit an appropriately sealed bid, proposal or qualification as required by state law.

Sec. 8.5.2. *Receipt and Opening of Bids*. The School must receive, publicly open, and read aloud the names of the offerors and their bids. Only the Board, during a lawfully convened Board meeting, or the Board's designee, at or in School's central administrative office, may open the bids submitted by offerors. A bid that has been opened may not be changed for the purpose of correcting

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an error in the bid price. A bidder has the common law right to withdraw a bid due to a material mistake in the bid. The School is entitled to reject any and all bids.

Sec. 8.6. Awarding of Contract Under Competitive Bidding Method.

Sec. 8.6.1. In accordance with state law, "competitive bidding" is a procurement method by which the School may contract with a contractor for the construction, alteration, rehabilitation, or repair of a facility by awarding the contract to the lowest responsible bidder.

Sec. 8.6.2. The School may contract for the construction, alteration, rehabilitation, or repair of a facility only after it advertises for bids for the contract in a manner prescribed by law, receives competitive bids, and awards the contract to the lowest responsible bidder.

Sec. 8.7. Responsible Bidder Defined.

Sec. 8.7.1. A responsible bidder is a person who has the capability in all respects to perform in full the contract requirements and the integrity and reliability assuring good faith performance. A responsible bidder may be required to meet any or all of the following requirements.

(a) Be an experienced contractor who has served as a prime contractor on similar construction projects for Texas public schools, has satisfactorily completed the scope of work described in the construction documents, and is knowledgeable about the requirements for the construction of and the building elements for Texas public schools including, without limitation, applicable building code requirements.

(b) Provide a warranty and support for any equipment installed as part of the construction services and in accordance with the scope of work described in the construction documents.

(c) Be able to obtain payment and performance bonds of the types and in the amounts described in Texas Government Code § 2253.

(d) When submitting the bid, provide a Letter of Statement from a bonding company that the bidder is able to obtain both a payment bond and a performance bond described as stipulated in Texas Government Code § 2253.

(e) Prior to executing the contract, obtain and provide the payment and performance bonds of the types and in the amounts established at Texas Government Code § 2253.

(f) Have adequate financial resources or ability to obtain such resources as required during the performance of any resulting contract.

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(g) Be able to comply with the required performance schedule, taking into consideration all existing business commitments.

(h) Have necessary management and technical capability to perform any resulting contract for construction services.

(i) Be qualified as an established firm regularly engaged in the type of business to provide the items and work required by the request for bids.

(j) Be registered to do business in the State of Texas.

(k) Be in good standing with the State of Texas.

(l) Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

Sec. 8.7.2. The School must include the requirements to be used to establish an offeror as a responsible bidder in the request for bids, proposals or qualifications.

Sec. 8.8. Criteria to Consider.

Sec. 8.8.1. In determining the award of a contract pursuant to this section, the School may consider:

(a) The price;

(b) The offeror's experience and reputation;

(c) The quality and reputation of the offeror's goods or services;

(d) The extent to which the offeror's goods or services meet the School's needs;

(e) The vendor's past relationship with the School;

(f) The impact on the ability of the School to comply with rules relating to historically underutilized businesses;

(g) The total long-term cost to the School to acquire the offeror's goods or services;

(h) Whether the vendor or the vendor's ultimate parent company or majority owner:

(1) Has its principal place of business in this state; or

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(2) Employs at least 500 persons in this state;

(i) The offeror's safety record;

(j) The offeror's proposed personnel;

(k) Whether the offeror's financial capability is appropriate to the size and scope of the project; and

(l) Any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

Sec. 8.8.2. In determining the award of a contract under this chapter, the School must:

(a) Consider and apply any existing laws, including any criteria, related to historically underutilized businesses; and

(b) Consider and apply any existing laws, rules, or applicable municipal charters, including laws applicable to local governments, related to the use of women, minority, small, or disadvantaged businesses.

Sec. 8.9. Safety Record of Bidder Considered.

Sec. 8.9.1. In determining who is a responsible bidder, the Board may take into account the safety record of the bidder, of the firm, corporation, partnership, or institution represented by the bidder, or of anyone acting for such a firm, corporation, partnership, or institution.

Sec. 8.9.2. In determining who is a responsible bidder, the Board may take into account the following definition and criteria for accurately determining the safety record of a bidder.

(a) "Citations" include notices of violation, notices of enforcement, suspension/revocations of state or federal licenses or registrations, fines assessed pending criminal complaints, indictments, or convictions, administrative orders, draft orders, final orders, and judicial final judgments. A Notice of Violation and Notice of Enforcement received from the Texas Commission on Environmental Quality ("TCEQ") shall include those classified as major violations and moderate violations under the TCEQ'S regulations for documentation of Compliance History pursuant to Texas Administrative Code, Title 30, § 60.2(d)(1) and (d)(2).

(b) "Environmental Protection Agency" includes, but is not limited to the TCEQ, the U.S. Environmental Protection Agency, the U.S. Fish and Wildlife Service, the U.S. Army Corps of Engineers, the Texas Department of Health, the Texas Parks and Wildlife

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Department, the Structural Pest Control Service, agencies of local governments responsible for enforcing environmental protection laws or regulations, and similar regulatory agencies of other states of the United States.

(c) Based upon the bidder's response to certain questions, the Board will consider the following criteria and, at its discretion, determine whether to disqualify the bidder.

(1) The revelation of more than two (2) cases in which final orders have been entered by the Occupational Safety and Health Review Commission ("OSHRC") against the bidder for serious violations of Occupational Safety & Health Administration ("OSHA") regulations within the past five (5) years.

(2) The revelation of more than one (1) case in which the bidder has received a citation or for which final orders have been entered from an environmental protection agency for violations within the past five (5) years.

(3) The revelation that the bidder has been convicted of a criminal offense within the past ten (10) years or has been subject to a judgment for a negligent act or omission, which resulted in serious bodily harm or death.

Sec. 8.9.3. Before considering the safety record of the bidder, the School must give notice to prospective bidders in the bid specifications that the safety record of a bidder may be considered in determining the responsibility of the bidder.

Sec. 8.9.4. In making determinations concerning the safety records of the bidders, the Board, Delegate, and School employees are prohibited from making the determinations in an arbitrary and capricious manner.

Sec. 8.9.5. The Delegate or designee must prepare and submit to the Board a summary report of the information and the responses provided by the bidder for its consideration and to facilitate its determination of whether to disqualify the bidder based upon its safety record.

Sec. 8.10. Notification of Contractor's Criminal History.

Sec. 8.10.1. If the person or an owner or operator of the business entity has been convicted of a felony, the School should ensure that the bidder's response includes an advance notice disclosing this fact. The notice must include a general description of the conduct resulting in the conviction of a felony.

Sec. 8.10.2. The School may terminate a contract with a person or business entity if the School determines that the person or business entity failed to give notice as required by Subsection 8.10.1

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or misrepresented the conduct resulting in the conviction. The School must compensate the person or business entity for services performed before the termination of the contract.

Sec. 8.10.3. This subsection does not apply to a publicly held corporation.

Sec. 8.11. Contract with Person Indebted to School.

Sec. 8.11.1. The Board may refuse to award a contract to or enter into a transaction with an apparent low bidder or successful proposer that is indebted to the School.

Sec. 8.11.2. For purposes of implementing this subsection, "person" includes an individual, sole proprietorship, corporation, nonprofit corporation, partnership, joint venture, limited liability company, and any other entity that proposes or otherwise seeks to enter into a contract or other transaction with the School requiring approval by the Board.

Sec. 8.11.3. The Delegate or designee must notify the Board of any debt due by an apparent low bidder or successful proposer. In the notice to the Board, the Delegate or designee must disclose:

(a) The amount outstanding;

(b) The date(s) of when the bidder or proposer became indebted to the School;

(c) The cause(s) resulting in the bidder's or proposer's indebtedness;

(d) Any adverse consequence to the School resulting from the bidder's or proposer's indebtedness;

(e) The date of the last written correspondence to the bidder or proposer requesting the bidder's or proposer's satisfactory settlement of the indebtedness; and

(f) The frequency of requests for settlement of the indebtedness.

Sec. 8.12. Right to Work.

When procuring goods or services, awarding a contract or overseeing procurement or construction for a public work to which this Policy applies, the School:

(a) May not consider whether a person is a member of or has another relationship with any organization; and

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(b) Must ensure that its bid specifications and any subsequent contract or other agreement do not deny or diminish the right of a person to work because of the person's membership or other relationship status with respect to any organization.

Sec. 8.13. Contracts to Minority Companies.

As set forth in the charter application, the School will look for "opportunities to consummate contracts with a sizeable portion to minority companies."

Sec. 8.14. Selection of Architect or Engineer.

Unless the School employs an architect or engineer on a full-time basis to oversee construction projects, the School must select the architect or engineer on the basis of demonstrated competence and qualifications as provided by Texas Government Code § 2254.004.

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Sec. 8.15. Other Professional Services.

The School must provide or contract for the construction materials engineering, testing, and inspection services and the verification testing services necessary for acceptance of a facility. The School must select the services for which it contracts under this subsection in accordance with Texas Government Code § 2254.004.

Sec. 8.16. Suspension of Policy.

If a school facility, or a portion of a school facility is destroyed, severely damaged, or experiences a major unforeseen operational or structural failure, and the Board determines that the delay posed by the contract methods required by this Policy would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the school facility, or portion of the school facility may be made by a method other than the methods required by this policy.

Sec. 8.17. Change Orders.

Sec. 8.17.1. If a change in plans or specifications is necessary after the performance of a contract is begun or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, the Delegate or designee has general authority to approve change orders making the changes.

Sec. 8.17.2. The total contract price may not be increased because of the changes unless additional money for increased costs is approved for that purpose from available money or is provided for by the authorization of the issuance of time warrants.

Sec. 8.17.3. A contract with an original contract price of $1 million or more may not be increased under this subsection by more than 25 percent. If a change order for a contract with an original contract price of less than $1 million increases the contract amount to $1 million or more, the total of the subsequent change orders may not increase the revised contract amount by more than 25 percent of the original contract price.

***Sec. 8.18.* Monitoring and Oversight.**

Sec. 8.18.1. The Delegate or designee must monitor and oversee all construction projects and services. The Delegate or designee must document their monitoring and oversight activities.

Sec. 8.18.2. The Delegate or designee must report to the Board the progress and status of any and all public works procured under this policy.

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Sec. 8.18.3. The Delegate or designee must not make any final payments for public works procured under this Policy until the work has been completed. Upon completion of a public work, the Delegate or designee must provide a final report to the Board. Upon accepting the work performed, the Board may authorize the Delegate or designee to issue final payment(s).

Sec. 9. MONITORING OF SERVICE PROVIDER PERFORMANCE.

The Delegate or designee must monitor the services and work of all service providers. In developing a system for monitoring the service provider's performance, the Delegate or designee must consider the inclusion of deliverables and other measurable outcomes that demonstrate the delivery of the services procured from the service provider and that enable the Delegate or designee to evaluate the quality of the services rendered and satisfactory performance of the provider.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.510, Purchasing and Contracting, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____

Isaac Ledesma, Secretary

_____

Date Certified

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Sec. 1. Purpose of Policy.

Through this policy, the Board of Directors (hereafter, the "Board") of Academy of Accelerated Learning, Inc. doing business as Academy of Accelerated Learning (hereafter, the "School") shall address the legal requirements, as applicable, pertaining to the organization and operation of an internal audit function.

Sec. 2. Applicability.

Unless otherwise indicated, this Policy PG-5.910 applies to the School's administration of an internal audit function.

Sec. 3. Authority Over Fiscal Matters.

Sec. 3.1. Unless otherwise indicated, the Board's Policy PG-5.001, Authority Over Fiscal Matters, will govern and control over the policy statements set forth in this Policy PG-5.910.

Sec. 3.2. For the Board policy pertaining to the Delegate and designee, see Section 3.2 and Section 4 of PG-5.001.

Sec. 4. Purpose.

Under this policy, internal audits is established to provide independent and objective assurance and consulting services to improve the management of organizational risks and the effectiveness of internal controls.

Sec. 5. Oversight.

The Board and Finance Committee shall oversee the School's internal control monitoring, risk assessment, and audit activities. The Board retains final authority over all audit-related matters and corrective actions.

Sec. 6. Charter.

The Board may adopt procedures governing audit oversight, risk assessment activities, and monitoring of internal controls.

Sec. 7. Standards.

The Board and Finance Committee must require that internal audits conduct its work pursuant to the Global Standards promulgated by the Institute of Internal Auditors and other applicable professional auditing standards.

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Sec. 8. Access to Personnel, Property, and Records.

School officers and employees must provide internal audits with access to any and all personnel, property, and records. If a School officer or other employee fails to provide internal audits said access, internal audits must report the employee's failure to provide access to the Finance Committee.

Sec. 9. Recommendations.

The Delegate, Superintendent, Chief Financial Officer, Finance Committee, or Board may request reviews of fiscal processes, internal controls, compliance matters, or other areas presenting risk to the School.

Sec. 10. Prohibited Conduct.

School officers and employees, without exception, are prohibited from demanding or otherwise directing the work undertaken by internal audits, including the content of any report or other deliverable prepared by internal audits.

Sec. 11. Annual Risk Assessment.

The Chief Financial Officer shall annually assess financial, operational, compliance, and internal control risks and report identified risks and recommended mitigation strategies to the Finance Committee and Board.

Sec. 12. Annual Audit Plan.

The Finance Committee may recommend periodic internal reviews, external assessments, or special audits based on identified risks.

Sec. 13. Budget.

Any budgetary requirements relating to audit activities shall be incorporated into the School's annual operating budget and presented through the normal budget adoption process.

Sec. 14. Liaison to Independent Auditor.

The Chief Financial Officer shall serve as liaison to the independent auditor and shall coordinate the conduct of the annual financial and compliance audit. Significant audit findings and corrective action plans shall be presented to the Finance Committee and Board.

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Sec. 15. Administrative Support.

The Delegate or designee must provide administrative support to internal audits including, but not limited to:

(a) an adequate, equipped, furnished, and secure office comparable to all of the School's other offices; and

(b) accounting, information technology, payroll, purchasing, travel, and other essential administrative services comparable to those provided to all of the School's other offices; and

(c) human resource administration.

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CERTIFICATION

The Undersigned, being the Secretary of the Board, hereby certifies that the foregoing represents a true copy of the Board Policy PG-5.910, Internal Audits, as adopted by the Board on 08/15/2026, which Policy is in full force and effect and has not been amended or repealed.

_____

Isaac Ledesma, Secretary

_____

Date Certified

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PG-5.920: PARTICIPANT SUPPORT COSTS

Sec. 1. PURPOSE OF POLICY.

Through this policy, the Board of Directors (hereafter, the "Board") establishes requirements governing the classification, allowability, administration, and monitoring of **participant support costs** in compliance with applicable federal regulations, including:

a) Code of Federal Regulations, Title 2, Part 200, notably §200.456;

b) 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;

c) Texas Education Code and applicable administrative rules;

d) Financial Accountability System Resource Guide (FASRG); and

e) Applicable grantor agency guidance.

This policy is intended to ensure proper stewardship of federal funds and compliance with grant requirements.

Additionally, through this policy, the Board shall address best practices adopted by public Academy of Accelerated Learning, Inc.

Sec. 2. APPLICABILITY OF POLICY.

Sec. 3. This policy applies to all participant support costs paid from federal funds administered by the Academy of Accelerated Learning, Inc. (hereafter, the "Academy"), including passthrough funds.

Sec. 4. AUTHORITY OVER FISCAL MATTERS.

Sec. 1.1. The Board retains ultimate authority over fiscal matters. Administration of this policy may be delegated consistent with Board policy governing fiscal authority. Any unresolved matters shall be brought to the Board for determination.

Sec. 1.2. The Delegate, as defined in Sec. 3.2 of the Controlling Policy, shall report to the Board any business arrangement or transaction with an individual that is an officer, as defined in Sec. 5

of the Controlling Policy, and any conflicted,[228] interested[229] or related[230] party, as defined in other Board policy or applicable law. The Academy of Accelerated Learning, Inc. and its officers may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 1.3. As established in Sec. 4 of the Controlling Policy, where the Delegate is authorized to confer authority to a designee (as denoted by the phrase "or designee"), the Delegate may confer such authority to a single designee.

Sec. 5. DEFINITIONS.

Sec. 1.4. Direct costs paid to or on behalf of participants (but not employees) in connection with conferences, training projects, workshops, or similar events. Such costs include:

a) Stipends

b) Travel allowances

c) Subsistence allowances

d) Registration fees

e) Other costs directly supporting participation

Sec. 1.5. Participants - Individuals who are not employees of the Academy and who are the recipients or beneficiaries of a training, workshop, or grant-supported activity.

Sec. 1.6. Stipends - Fixed payments made to participants to support participation in program activities, not tied to services rendered.

Sec. 6. GENERAL REQUIREMENTS APPLICABLE TO ALL PURCHASES.

Allowability

Participant support costs are allowable only when:

a) Explicitly included in the approved grant budget, or

b) Approved in writing by the federal awarding agency or pass-through entity.

Restriction on Use

Participant support costs:

a) Must not be used for Academy employees;

b) Must not include entertainment, gifts, or unallowable expenses;

c) Must be used solely for the purpose of supporting participation in allowable program activities.

Exclusion from Modified Total Direct Costs (MTDC)

Participant support costs are excluded from indirect cost calculations unless otherwise authorized by the funding agency.

Sec. 1.7. Authority to Procure Goods and Services.[231]

Sec. 1.7.1. The Delegate or Designee:

a) May approve participant support expenditures consistent with the approved grant budget;

b) Shall ensure expenditures are allowable, reasonable, necessary, and allocable;

c) Shall not approve costs exceeding budget authority or lacking proper authorization.

Sec. 1.8. BUDGETING AND APPROVAL REQUIREMENTS.[232]

a) Participant support costs must be **separately budgeted** and clearly identified in grant applications.

b) Any **reallocation** of funds into or out of participant support cost categories requires **prior written approval** from the awarding agency.

c) The Academy shall maintain documentation of all approvals.

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Sec. 1.9. ELIGIBLE COSTS.[233]

The following may be classified as participant support costs when allowable under the award:

- Participant stipends
- Travel costs (transportation, lodging, meals)
    - In accordance with Texas Education Code § 12.107 and applicable state travel guidelines, Academy of Accelerated Learning, Inc shall reimburse travel expenses for board members using the most economical and practical means of transportation. However, the Board of Directors may approve an exception if a board member provides:

      A documented medical condition, disability, or psychological condition that prevents the use of standard travel (e.g., air travel).

      A written request explaining the nature of the condition and the need for an alternative mode of transportation.

      Supporting documentation from a licensed medical provider or relevant authority.

      An estimate of the cost difference between standard travel and the requested method.

The board must vote to approve any such exception in an open meeting, while not divulging any HIPPA protected information during the vote or discussion in open session, ensuring the additional cost is justified as a reasonable accommodation and that it serves the best interests of the school if the cost of the alternative transportation exceeds 25% of the average cost of all other board members' travel. Board members must submit in writing their requested mode of travel to the Superintendent prior to travel arrangements being made. The Superintendent will notify all Board members prior to making travel arrangements to allow for adequate time for Board members to submit their request.

Each year in the annual budget, the Superintendent shall allocate funds for each Board member to travel for purposes clearly involving official School business as authorized under applicable legal authority.

- Registration fees for events
- Materials and supplies directly provided to participants
- Subsistence and per diem allowances

Sec. 1.10. UNALLOWABLE COSTS.[234]

The following shall not be charged as participant support costs:

- Salaries, wages, or fringe benefits for Academy employees
- Honoraria or payments for services rendered (non-participants)
- Entertainment or social activities
- Incentives unrelated to program participation
- Administrative or clerical costs

Sec. 1.11. PROCURMENT AND PAYMENT REQUIREMENTS.[235]

All participant support payments shall comply with:

- Board-approved procurement policies (PG-5.510);
- Federal cost principles and internal controls;
- Documentation requirements for allowability and payment.

Payments may be made:

- Directly to participants; or
- To vendors on behalf of participants (e.g., travel providers).

Sec. 1.12. Employee Purchases Prohibited.[236]

The Delegate or Designee shall ensure documentation includes:

- Program agenda or description
- Participant lists and eligibility
- Proof of attendance or participation
- Receipts or payment records
- Grant approval documentation

Failure to maintain adequate documentation may result in disallowance of costs.

Sec. 1.13. INTERNAL CONTROLS AND MONITORING.

The Academy shall implement internal controls to ensure:

- Proper classification of participant support costs;
- Segregation from other direct costs;
- Monitoring of expenditures against approved budgets;
- Prevention of misuse or misclassification.

The Delegate or designee shall periodically review transactions for compliance.

Sec. 1.14. SEGREGATION OF DUTIES.[237]

Appropriate separation shall exist between:

- Approval of participant support costs
- Processing payments
- Recordkeeping and reconciliation
- Program oversight

Sec. 1.15. PROHIBITED PRACTICES.[238]

The Academy and its employees are prohibited from:

Sec. 1.15.1. Charging unallowable costs to participant support categories;

Sec. 1.15.2. Reclassifying costs to circumvent indirect cost limitations;

Sec. 1.15.3. Providing participant support payments without proper documentation;

Sec. 1.15.4. Using funds for non-participant purposes.

Sec. 1.16. MONITORING AND OVERSIGHT.[239]

The Delegate or designee shall:

- Monitor the effectiveness and compliance of participant support cost usage;
- Report material issues or noncompliance to the Board;
- Ensure corrective actions are implemented.

Sec. 1.17. TRAINING AND UPDATES.[240]

The Delegate shall ensure staff are:

- Trained on federal cost principles and participant support rules;
- Informed of updates to federal regulations or grant requirements.

Sec. 1.18. ADMINISTRATIVE PROCEDURES.[241]

The Delegate may adopt administrative procedures to implement this policy, provided such procedures:

Sec. 1.18.1. Do not conflict with law or Board policy;

Sec. 1.18.2. Are aligned with 2 CFR Part 200;

Sec. 1.18.3. Are documented and communicated to relevant staff.

Sec. 7. DATE ADOPTED AND EFFECTIVE.

As set forth in the pertinent minutes to the meeting of the Board, the Board adopted this policy on __ and became effective on ___.

_____

Sec. 8. RETENTION.[242]

This policy shall be retained until superseded, expired or discontinued and for five (5) years thereafter.

Sec. 9. CERTIFICATION.

The Undersigned, being the Secretary of the Corporation, hereby certifies that the foregoing represents a true copy of the Board Policy relating to the Participant Support Costs, as originally adopted by the Board on ____, which Policy is in full force and effect and has not been revoked or amended.

_____
Issac Ledesma, Secretary

_____
Date Certified