

Exhibit III

MyCOM Out-of-School Time

SCHOOL YEAR 2011-2012

FINANCIAL MANAGEMENT POLICY

AND

PROCEDURE MANUAL

**MyCOM Out-of-School Time Program for the 2011-2012 School Year
Financial Compliance Manual**

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FIN MANUAL School Year 2011-2012

FINANCIAL MANAGEMENT POLICY AND PROCEDURE MANUAL

The purpose of this manual is to document the financial policies and procedures for the MyCOM Out-of-School Time Program for the 2011-2012 School Year contractors, in regards to preparing, requesting and maintaining fiscal records.

A. FINANCIAL MANAGEMENT STANDARDS

The MyCOM Out-of-School Time Program for the 2011-2012 School Year contractors shall comply with these fiscal management guidelines for allowable costs as established for all expenditures made under the MyCOM Out-of-School Time Program for the 2011-2012 School Year contract for which reimbursement is to be sought.

The MyCOM Out-of-School Time Program for the 2011-2012 School Year contractors shall maintain independent books, records, payroll, documents, accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this agreement. Such records shall be subject at all reasonable times for inspection, review, or audit by duly authorized federal, state, Cuyahoga County and Starting Point personnel.

The MyCOM Out-of-School Time Program for the 2011-2012 School Year contractors shall ensure that the financial management systems used for such expenditures will provide the necessary internal controls, accounting records and reporting systems to meet these prescribed standards. As a minimum, this would include the following:

1. Internal controls that provide for separation of duties such that no one individual has control over all aspects of any transaction.
2. Payroll accounting records that reflect hours worked, gross wages, payroll deductions and net wages must be maintained for each person performing services under this contract
3. All wages and payments made must be paid by check.
4. All payroll taxes must be accounted for and paid in a timely manner to the appropriate government agency.
5. All expenditures must be supported by proper documentation. Supporting documents must be verified for completeness and accuracy before any payment to the region.

6. The MyCOM Out-of-School Time Program for the 2011-2012 School Year contractor's accounting procedures and internal controls shall conform to Generally Accepted Accounting Principles (GAAP), and the State Of Ohio.
7. The accounting records must provide for the recording and reporting of expenditures as to: Cost Category (Salaries/Payroll consultation fees, travel; etc.) and specific line items of expense.
8. Only those costs incurred during this contract may be charged to this contract; i.e., there must be a proper matching of revenues and expenses.
9. Obligations may not be incurred without specific written authorization, nor may they be incurred before such authorization. Any obligation greater than the contract budget is the sole responsibility of the MyCOM Out-of-School Time Program Year contractors.
10. The MyCOM Out-of-School Time - Program Year 2011-2012 contractors shall maintain original documentation, such as time sheets, payroll journals, tax records, travel vouchers, vendor invoices, lease agreements, canceled checks, etc., in a way that will speed up an on-site fiscal audit or program review.
11. Responsibilities for authorizing expenditures and for making payments must be separated.
12. All invoices will be compared with the agreement or other authorization document for propriety and validity before payment.

B. BUDGETS

A detailed budget by cost category is contained in each of the MyCOM Out-of-School-Time Program 2011-2012 approved contracts. This budget is the primary document to be used to process all request for program expense reimbursements by the MyCOM Out-of-School Time Program 2011-2012 contractors.

The MyCOM OST contractors shall submit a Budget/Revision Request form (Exhibit 3) and written narrative explaining reasons for revision request to Starting Point Finance Department when the expenditure by cost category is expected to exceed ten percent (10%) of the category budget. The Budget/Revision Request form must be received by Starting Point Finance Department prior to the 15th day of the month in order for the revision to become effective for the next month. No expense reimbursements will be made for any category that exceeds the category budget by ten percent (10%) or more, without an approved Budget/Revision Request form.

Any obligation greater than the contract budget is the sole responsibility of the contractor.

C. DISBURSEMENT OF FUNDS

The payment of funds will be based on cost reimbursement of actual expenses, as specified in each MyCom OST contract. Signed copies of the invoice must be submitted by the 15th day of the following month.

Approved invoices will be reimbursed within thirty (30) calendar days of Starting Point's receipt of adequate documentation supporting the submitted invoices, provided that Starting Point has received reimbursement from the County.

An accurate invoice (Exhibit 1A), Monthly Salaries and Fringe Benefits Worksheet (Exhibit 2) and Fringe Benefits Detail Sheet (Exhibit 2A), copies of invoices and any other documentation that Starting Point deems necessary to support the invoiced amounts must be provided. Invoices not submitted on time will be processed with the following month invoices. Starting Point will not delay billing the county because of MyCom OST contractors submitting their billing package late.

The Cost Reimbursement Invoice form is used to summarize the monthly expenses incurred by the MyCom OST contractors and request reimbursement from Starting Point. The Monthly Salaries and Fringe Benefits Worksheet is used to summarize payroll related costs.

Request for disbursements can not exceed approved contract award. Available funds for disbursement are defined as follows:

Grant Award
-Year to Date Expenditures
-Advances
=Available funds for disbursement

D. FISCAL COMPLIANCE MONITORING

The Starting Point fiscal management team will perform a formal variance analysis of all MyCom OST contractors, which entails preparation of budget variance explanations being prepared for Starting Point management. The fiscal management team will provide the following:

1. Determine level of compliance through monthly assessments of the MyCom OST contractors Cost Reimbursement Invoices.
2. Address non-compliance/weakness areas and actively pursue resolution of the issues.
3. Maintain an up-to-date status of each funded program on a monthly basis.
4. Direct and provide Technical Assistance where needed, when necessary.
5. Resolve fiscal noncompliance issues in an expedient manner and close the issues to the satisfaction of Starting Point management and region.
6. Disallowed costs will be promptly reported to the MyCom OST contractors.

E. YEAR END CLOSE OUT

The final request for payment reimbursement by the MyCom OST contractors must be received in the Starting Point Fiscal office by October 31, 2012. Any request for payment received after this date will not be honored for payment.

No equipment should be purchased using funds provided by the Mycom OST program. Equipment invoices will not be approved for payment.

The length of retention for all records related to this contract and the administration of the program is for a period of three (3) years. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the three (3) year period, the MyCom OST contractors shall retain the records until completion of the action and all issues which arise from it or until the end of three (3) year period, whichever later.

The MyCom OST contractors agree to accept responsibility for receiving, replying to and/or complying with any audit exception by appropriate federal and state audit directly related to the provisions of the MyCom OST contract. The MyCom OST contractors agree to pay Starting Point for all amounts due as a result of audit exceptions affecting the MyCOM Out-of-School Time program.

F. EXHIBITS - Attached

- Exhibit 1 - Cost Reimbursement Invoice Instructions
- Exhibit 1A - Cost Reimbursement Invoice
- Exhibit 2 - Monthly Salaries & Fringe Benefit Worksheet
- Exhibit 2A - Fringe Benefit Detail Worksheet
- Exhibit 3 - Budget/Revision Request

(Exhibit 1)

COST REIMBURSEMENT INVOICE INSTRUCTIONS:

The Cost Reimbursement Invoice form (exhibit 1) is used to summarize the monthly expenses incurred by the MyCom OST contractors and request reimbursement from Starting Point. The MyCom OST contractors will record all costs incurred in the discharge of their contract, and report these costs according to the above schedule. A monthly salaries and fringe benefit's worksheet (exhibit 2 & 2A) summarizing payroll related costs must be submitted along with other appropriate documentation to support all items charged to the MyCOM Out-of-School Time grant. Cost Reimbursement Invoice line instructions:

Column A - Cost Categories	Expense classifications as provided in the MyCom OST contractors approved contract.
Column B - Approved Budget	This column contains the amounts from the MyCOM OST contractors approved contract and can only be changed by an approved budget amendment.
Column C -Current Period Expenditures	Monthly actual program expenditures.
Column D -Year To Date Expenditures	Cumulative expenditures for the program year.
Column E - Contract Balance	Column (B) - Column (D)
Line 1 - Contract Award	Total award amount (must agree with total column B)
Line 2 - Total Cash Received To Date	Cash received as of report date, DO NOT INCLUDE ANY ADVANCES
Line 3 -Reimbursement Previously Requested	Reimbursement not received.
Line 4 - Total	Line 2 + Line 3
Line 5 - Advance	Total amount of all advances received.
Line 6 - Available Funds	Line 1-Line 4 - Line 5.

Line 7 - Current Per. Expend.	Must equal total of Column C.
Line 8 - Reimbursement Req.	Line 6 or Line 7 whichever is smaller.
Line 9 - Advance repayment	Current period advance repayment based on Advance repayment option selected by the MyCom OST contractors.
Line 10-YTD Advance repaid	Total amount of advance repaid (deducted) during current contract period.
Line 11-Reimbursement Payable	Line 8-Line 9