

CENTER FOR ADVANCED LEARNING
FISCAL POLICY (REVISED 09/19/2016)

POLICY NUMBER ONE: BUDGET PREPARATION AND IMPLEMENTATION

ANNUAL BUDGET

The school shall annually adopt a budget as a planning tool to implement its strategic plan. The budget will be approved by the Board, and implemented by the management staff. The staff will also update the board on the status of the budget through the Finance Committee and make necessary adjustments as needed.

BACKGROUND:

In order to manage the resources of the school, a budget has to be prepared to reflect the priorities of the school, and also help achieve its goals and objectives.

PROCEDURES:

Executive Consultant:

- Informs the Executive Director of the guidelines and procedures for the year's budget process. Provide the management staff with the formats and timelines for preparing the school budget.
- Review the budget and check the calculations and the basis for the calculations.
- Make revenues estimates in coordination with the Executive Director, taking into consideration the state funding, fundraising, investment activities and other income sources.
- Prepare a draft budget based on the requests by the Executive Director taking into account other operating expenses of the school, and all other contractual obligations of the school. This budget will include both capital and operating budgets for the fiscal year.
- Meet with the Executive Director and review the budgets, their assumptions and computations related to both revenue projections and expenditure estimates. In reviewing the budgets for recommendation to the finance committee the priorities of the school, revenue availability and fiscal responsibility must be considered.
- Prepare the final recommended budget based on agreements reached from the meeting with the Executive Director for presentation to the Finance Committee and Board of approval.
- Provide the approved budgets to the Business Manager and other Administrative Staff so they know the budgets they have to work with during the year.
- Responsible for making sure the budgets are being implemented correctly. This includes working with the Consultant Accounting Staff to input the budgets into the accounting system to help monitor budgets to actual comparison. Also working with the Business Manager and Staff Consultant to answer budget related questions and reporting any problems and proposed solutions to the Executive Director and Finance Committee.
- Review budget to actual report prepared by Staff Consultant and make necessary adjustments and narratives or comments before presenting to Executive Director, Finance Committee and Board.

- Revise the budget for board consideration when there is a material change in the approved budget.

Executive Director:

- Review the draft budget with the Executive Consultant, making sure that the priorities of the school are reflected in the final budget recommended to the Finance Committee and the Board.
- Review the monthly budgets to actual comparisons prepared by the Executive Consultant and take any recommended actions as necessary.
- Recommend any budget adjustments as necessary to the Finance Committee and the Board.
- Help the Executive Consultant in preparing annual budgets.

Consultant Bookkeeper:

- Inform the Executive Consultant of any unbudgeted expenditures seen while reviewing purchase orders.
- Input the approved budgets in the Accounting system so we can generate budget to actual reports.
- Approve purchase orders before they are issued to vendors, after checking to make sure there are funds in the budget for cover the order.
- Prepare monthly budget to actual report for Executive Consultant to review.

POLICY NUMBER TWO: TIME SHEET AND PAYROLL POLICIES AND PROCEDURES

PAYROLL

All employees on payroll must be hired by the Executive Director and must have worked for the hours being paid, those hours having been properly documented and approved by the Executive Director. The expense must be properly recorded in the accounting records to the correct account to facilitate availability of accurate and timely financial information for management's use in making decisions.

BACKGROUND:

The school hires employees to work on its operations, in order to achieve its objectives. The employees in turn get paid on a timely basis and the information on these costs is made available to school management for decision making.

PROCEDURES:

Responsibility of the employee:

- Punch in time card on a daily basis when you come in for work, when you take lunch or any other absence, when you return back to work on the same day and when you leave for the day. Any specific arrangements outside normal hours should be discussed and approved by the Executive Director prior to beginning of the assignment.
- No overtime can be worked before obtaining approval from the Executive Director.
- Salaried employees are required to sign a sign-in log on a daily basis.

- At the end of each pay period each hourly employee is required to finish completing their time sheet that was generated by the computer system and give them to Administrative Assistant for approval. The employee should make sure they complete the total regular hours, overtime hours, vacation, sick, and other hours worked each day and for the pay period. If you work on more than one job on a regular basis you should complete a time sheet for each job. Just state what hours you worked for each job on the same time sheet if you work more than one job on an irregular basis.
- The properly completed and approved time sheet is put in the box of the Administrative Assistant no later than the date it is due for processing. Delay in submitting the time sheet can affect employee pay date.
- If you are a new employee, make sure that you complete a personnel information package, including a W-4 form that gives us information on your tax status. We cannot give you all the money due you without knowing your tax information. Any information related to direct deposit, tax sheltered annuity or any other voluntary deductions should be given to the Financial Consultant no later than the deadline given to you by the business office. If you are hired after the start of a pay period, you will not be paid until the pay period following the period you started working.

Responsibility of the Administrative Assistant:

- Provide all staff with time sheet, sign-in sheet, time card, due date for time sheet, due date for voluntary deductions set up, time clock and other employee package items necessary to accurately complete information for payroll and benefit accrual.
- Collect all the time sheets in your box and any others around the time clock area.
- Verify that the time recorded on the time sheet corresponds with the time clock records. Any unexplained discrepancies should be reported to the Executive Director for correction or explanation. Any incomplete or unapproved time sheet should be referred to the Executive Director for completion and approval immediately in time to promptly prepare payroll.
- Verify the time sheet to make sure the computations are accurate and that the information and approvals are made by the appropriate persons and write the account numbers where the salaries will be charged on the time sheets.
- After verifying that everything is correct and that you have every employee's time sheet, sort out using the previous period time report and give to the Executive Director for approval and transmittal to the Executive Consultant. Also process the Salaried payroll for the pay period, ESA for the 15th and regular monthly payroll for the 30th.
- Print the input information for the Executive Director to approve for transmission to Executive Consultant.
- Send new hire and any other employee change information to the Executive Consultant as you get the information from the employee.
- After the checks come back from BBM, verify all the checks to make sure that everything is correct and that the checks appear accurate. Additionally check the payroll reports sent to you to make sure everything balances both to the time reported and other relevant deductions. If there is anything that appears unusual, inform the Financial Consultant or Executive Director. Put the checks in envelopes ready to be distributed to employees and leave with the receptionist together with a sign-in list. Instruct the receptionist that nobody should pick-up another person's check without written authority to do so. Before

the receptionist gives a check to an employee that employee must sign the list provided as evidence that they have received their check.

Responsibility of Executive Director:

- Make sure that the new employee package is completed and accurately filled out prior to starting work, especially the I-9, Immigration and Naturalization Form and W-4, Employee Tax Information. The employee should also be given a copy of the employee handbook so they can be aware of the school policies and procedures that affect them.
- Negotiations regarding pay and other benefits should take into consideration the budgetary constraints to make sure that we do not commit to what we cannot pay.
- A personnel action form (PAF) must be completed and given to the Financial Consultant stating how much the employee will be paid, what the effective date is, and what account will be charged for this expense. The PAF and the completed package must be given to the Financial Consultant so that payroll arrangements can be made and personnel file opened for the new employee.
- The Executive Director must make sure the employee follow the school policies and procedures that relate to them. Any infraction should be cured according to school policies and procedures related to employee discipline.
- Make sure that all employees complete a time sheet and give it to them for their approval on a timely basis.
- Ensure that the time sheet as completed by employees reflect their attendance, including breaks and lunch time, before approving the time sheet.
- Make sure that employees are allowed to take breaks in the mornings and in the afternoons and a lunch break for those who work full-time. Generally, rest periods (breaks) are taken every four hours of work and meal periods (lunch) when someone works six or more hours a day.
- Ensure that overtime worked by the employee is approved in advance and that there is enough funding available to cover the overtime and other related costs.

**POLICY NUMBER THREE: PURCHASE AND OTHER PROCUREMENT
POLICIES AND PROCEDURES**

PURCHASES:

The school will purchase the materials needed to implement the plans and strategies set out by the board and the charter in order to achieve its objectives. In making these purchases the school must ensure that the materials being purchased are necessary for running the school. The school will also ensure that economy of resources is exercised in judging whether there is a need to purchase a certain item, as the school has limited resources for many competing priorities. The purchase must give the school the best deal (price, quality and other criteria considered), and also ensure that there are funds available to pay for the materials. All purchases must be approved by the Executive Director or the Board. The purchase must be documented and recorded in the accounting books.

PROCEDURES:

- All purchases of \$10,000 or more must be approved by the Board.

- All purchases must be initiated by completing a purchase order. Exceptions may be granted by the Executive Director or Executive Consultant for purchase of certain small items that are less than \$100 or in emergency situations.
- Before completing the purchase order the purchaser must assure that there are unencumbered funds budgeted for this purpose and the purchase is being charged to the correct budget category. If there is any question regarding the availability of funds, the Staff Consultant can be contacted for an answer.
- The purchaser must demonstrate, by providing copies of three bids or estimates that the vendor picked provides us with the best deal for the service or product being purchased. (The lowest price may not always be the best deal for the school.)
- For the purpose of getting bids or estimates, purchases of \$2,999 or less can be done by phone bids or estimates, purchases of between \$3,000 and \$9,999 can be done by written bids or estimates on vendor's letterhead, and purchases of \$10,000 or more need to be advertised in a more formal competitive bidding process with a written request and a written response, where practicable. Advertising for bids or estimates shall be in the manner determined by the Executive Director or the Board under the circumstances.
- In cases where a particular vendor is known to give us the best deal, once a year research of prices and services is enough to satisfy this criterion. In such a case copies of the result of the research should be kept on file to be referred to when needed.
- There may also be cases where a vendor is a sole source vendor, which means that the vendor is the only vendor that can supply this product or service. In such an instance it will be impossible to provide bids or estimates, but it must be demonstrated that the vendor is the sole source.
- Purchase orders will be issued by Business Manager. The form must be originally filled out, including who to deliver the order to and the account number to which the expenditure is to be charged. The original is given to the Business Manager to fax to the vendor with a return confirmation from the vendor after being approved by the Executive Director, a copy for the Executive Director's file, Staff Consultant's file and a copy to the Office Assistant (receiving). All originals and copies of purchase orders must have the signatures of the Executive Director.
- All purchase orders must be approved by the Executive Director.
- When the purchaser gets the order they will keep the items in a safe place for use, after making sure that the order received agrees with the purchase order. In certain instances the order might be tracked as to who is using them, so we can allocate them to various programs.

Procedures for Receipt of Order (Office Assistant)

- When the order arrives the Office Assistant compares the quantity on the packing slip, the purchase order and the order received to make sure they agree. If they agree the packing slip will be initialed and sent to the Staff Consultant with a copy to the Business Manager.

Administrative Assistant:

- When the original purchase order is received from the Executive Director, it is immediately faxed to the vendor. This will be done after checking to make sure the order is charged to the correct account, and funds are available signified by the approval of the Executive Director, evidenced by the his signatures.

- A copy of the purchase order is kept in an open purchase order file pending the time the order is filled. It is discarded when the invoice for the purchase is processed. The purchase order is encumbered in the Accounting system to set aside the funds so it will be available to pay for the bill. The purchase order is unencumbered when we pay the bill.
- The Administrative Assistant will check incoming orders to make sure they are consistent with the packing slip and the purchase order. The orders will then be stamped or tagged as property of the Center for Advanced Learning depending on what kind of item it is. Books will be stamped and equipment will be tagged, while supplies will be inventoried and issued as necessary.
- The Administrative Assistant will check all the documentation and make sure they are complete, accurate, and consistent with one another. The Administrative Assistant will also make sure that the correct budget category is being charged and the amount of the bill is computed accurately.
- As part of checking the documentation, the Administrative Assistant will ensure that the invoice being paid is an original invoice, not a copy, and that we are not paying from a statement of account. Please refer to commercial warrant processing for more details on bills processing.

POLICY NUMBER FOUR: CONTRACTING POLICIES AND PROCEDURES

1. All contracts under \$10,000 must be approved by the Executive Director and Staff Consultant. All contracts of \$10,000 or more must be approved by the Board.
2. Contracts of up to \$2,999 require at least three phone bids or estimates, contracts between \$3,000 and \$9,999 requires three written bids or estimates on contractor's letterhead, and contracts of \$10,000 and above require formal competitive bidding process with a written request and a written response, where practicable. Advertising for bids or estimates shall be in the manner determined by the Executive Director or the Board under the circumstances. For more information, please see purchase procedures.
3. Before approving a contract, it must be determined that funds are available for this purpose and the payment terms clearly and satisfactorily stated in the contract, considering cash flow needs of the school.
4. In the case of a construction contract, the contractor must be licensed by the state board and have the financial capability to execute the contract, except in cases where an exception is allowed by the Executive Director.
5. The contractor must have workers compensation and other general liability insurance that will name the school as additionally insured, except in cases where the school agrees to cover the contractor as part of terms of the contract.
6. The contractor must submit a bill based on the original approved contract for the Executive Director to approve for payment. In the event of change orders, they must be pre-approved by the Executive Director or designee.

7. The contractor must provide the school with a completed form W-9, taxpayer identification number, at the time of signing the contract.
8. Before the payment is made for construction contracts, the contractor must provide the school with a lien release as to labor and materials to exempt the school from any legal action including mechanics lien related to non payment of labor and material.
9. Before approving payment, the Executive Director will be certain that the construction was executed satisfactorily (in some cases an expert opinion might be sought to determine this).
10. It is customary to withhold 10% of the contract price until final determination is made on the successful completion of the contract. This will therefore be the practice of the school.
11. A copy of the contract should be filed in the business services office as soon as the contract is signed, to ensure that all documentation is complete and accurate.
12. All independent contractors must be persons that are in business for themselves, set their hours, and are responsible for results and not persons that are normally considered as employees. All other part-time or one-time persons employed by the school should be put on the payroll system, as they are actually employees and not independent contractors. All independent contractors must have a written contract following the procedures outlined above.

POLICY NUMBER FIVE: CHECK REQUESTS POLICIES AND PROCEDURES

CHECK REQUESTS:

All disbursements, except for those made through the Revolving Cash Fund, Payroll System and Petty Cash, must be made through the Check Request.

BACKGROUND:

The school has a responsibility to process all payments in accordance with generally accepted accounting principles and other government accounting standards in order to discharge its fiduciary responsibilities as delegated by the board of directors.

PROCEDURES:

Administrative Assistant:

- Picks up mails from the bills mailbox and distribute to various departments where necessary for check requests and approval of the bill.
- Checks the utilities and other general office bills for any error before giving to the Executive Director for check request approval.
- Double check requests and bills to make sure that all the information and documentations are correct. This information and documentation includes payee, account numbers, original invoice (payments cannot be made with a copy of the invoice or statement of account), relevant purchase order and receiving reports, amounts and appropriate approvals. If any information or documentation is inaccurate or incomplete, the check request must be returned to the responsible party so it can be corrected immediately, for

timely processing of the check request. Check requests must not be left with anyone for an unreasonably long period of time as to incur the school, credit problems.

- The check requests are sent to Executive Consultant for input into the computer system for payment. All the check numbers must be serially numbered, taking time to make sure the first check of each batch or day follows the last number as specified in the check register. A serial number log must be kept to ensure the numbering system is being adhered to. Each time a number is used it is crossed out to prevent the reuse of the number a second time.
- Pick up the mail from Bali Business Management the following day and verify that all the checks were generated and everything related to the check is correct. Then attach a copy of the check to the check request, staple them together and complete the payment information on the check request. Stamp the documentation as paid and file the whole package in the paid bills folder, after the checks are approved by the check signer.
- Put the checks in an envelope for mailing. If someone has to pick up a check in the office they must sign a log, and if it is an unknown person picture identification or drivers license should be reviewed to make sure that it is the right person.

The Administrative Assistant:

- Make sure that the bill being approved is a bill the school incurred and that those who incurred them are authorized to incur the bill, and that sufficient amounts are available in the budget to pay for the bill.
- Must be sure that services or goods were actually delivered as ordered and the amounts billed are agreed to and the bill was not previously paid and the invoice is not a duplicate or copy.
- Must be sure that the invoice is being charged to the right budget line item (account number and object code). This information must be provided by completing a check request form, and attaching the invoice, copy of the purchase order and a receiving advice or report noted on the purchase order. Any discrepancy between the invoice and the purchase order must be noted on the bill and reported to the Financial Consultant or Executive Director.
- The check request must be made in a timely manner for payment to prevent incurring collection and other credit problems.

Executive Director:

- Make sure that there is enough cash flow to pay the checks being requested before approving the bills. This can be accomplished by reviewing the cash balance on the report provided by Financial Consultant.
- Check to see that the checks were written to the same payee as stated on the check request and bill.
- Keep the budget managers or persons who incur expenditures informed about cash flow in case they have to defer incurring certain expenditures, pending improvement in cash flow.
- Before signing any check, make sure the documentation is attached and that the check request information is completely filled out with prior approvals attached.
- Each Signatory can approve checks not to exceed \$9,999.99.
- Checks of \$10,000 or more for a non-recurring item require two signatures and Board approval.

- Both the Executive Director and the Director of Operations will sign all checks for the school.

POLICY NUMBER SIX: REIMBURSEMENTS

All employee reimbursement check requests must be accompanied by filling out a reimbursement form with attached documentation including receipts and invoices of the reimbursements. Mileage reimbursement check requests must be accompanied by a form detailing the mileage description with a starting point and ending point. The description will also include the date of the travel and the number of miles travelled for each entry or date. Mileage will be reimbursed at the IRS rate that is applicable at that particular time.

POLICY NUMBER SEVEN: USE OF CORPORATE CREDIT CARDS AND PROCEDURES

Credit cards secured for the school through our bankers will allow us the convenience of charging purchases on the account, therefore saving staff the trouble of using their funds to purchase needed materials. Furthermore, it will save the school from cutting many checks for reimbursements. Instead one check will be cut to our bankers.

- The cash advance feature CANNOT be activated or used for any reason.
- All issuance of credit cards and credit limits must be recommended by the Executive Director and Financial Consultant and approved by the Board.
- The card can be used only for business purchases. NO PERSONAL USE.
- The duplicate receipt must always be turned in to the Administrative Assistant, after purchase is made to allow for easy processing of the bills. The account number to be charged must be stated on the receipt.
- Before charging anything to the card, the purchaser must determine what budget line items should be charged for this expenditure and whether the budget item has enough funds in the account to accommodate the charges, considering all other charges previously made to this account. If in doubt about the availability of the funds, please consult the responsible budget manager.
- Any missing or lost credit card must be immediately reported to the Financial Consultant and the Bank, so that security measures regarding cancellation and reissue can be accomplished in time to prevent illegal charges to the account.
- The card can be used to charge things for other staff as long as verification is made as to the availability of funds for the purchase. The card can be used for small purchases that normally require payment before order, it should not be used for items that can be put on purchase orders and billed to us in the normal way. Do not use the credit card in such a way as to circumvent our normal purchase order or billing system. Examples of things that can be charged include airline tickets for training and seminars, books and instructional supplies.
- The Financial Consultant and the Executive Director are responsible for ensuring that the credit card holders follow these procedures. Any abuse of the credit card policies should be reported to the Financial Consultant or the Executive Director, or the Board. The

school reserves the right to terminate any credit card due to abuses including lack of following credit card policies and procedures.

- The Executive Director or Financial Consultant must review and approve all credit card transactions.
- The Administrative Assistant must turn in all credit card statements to the Financial Consultant. The Administrative Assistant will give each credit card holder his or her statements.
- Credit card holders will prepare a check request for each credit card statement with all attached documentation, including receipts and account numbers. This will ensure orderly and efficient processing of the bills to avoid the charging of interest.

POLICY NUMBER EIGHT: PETTY CASH POLICIES AND PROCEDURES

The school will maintain a petty cash fund to make it expedient to disburse small purchases that are needed to operate the school business. The items to be disbursed out of these funds are limited to small items of \$25 or less.

PROCEDURES:

Administrative Assistant:

- The Administrative Assistant has oversight over the implementation of the petty cash policies and procedures.
- Processes requests for issuance of petty cash after being approved by the Executive Director.
- Processes replenishment of petty cash on a regular basis.
- Ensures that the replenishment expenditures are supported by authentic purchase receipts approved by the Executive Director.
- Monitors all the petty cash given to holders to make sure they are replenishing them on a regular basis and remind the holders of the need to replenish the fund so that expenditures can be recorded. If the holder does not have expenditures for several months, this may indicate that the petty cash might not be necessary.
- When a petty cash is originally issued to a holder, it must be logged in a petty cash log; any increases to the petty cash amount must be recorded in the log.
- Petty cash is reimbursed in the same manner as any other reimbursement or bill. In urgent situations, reimbursements can be done from the revolving cash fund.

Petty Cash Holders

- Request for issuance of petty cash from the Executive Director based on a compelling need supported by convincing reasons.
- Makes sure that the petty cash fund in their possession is securely locked in a cabinet at all times, making sure that nobody else has access to the fund.
- The petty cash holder has a personal responsibility for the funds in their possession.
- Issuance of funds to staff who need them must be evidenced by a receipt signed by staff and petty cash issuer.
- Before issuing the funds to the staff the holder must ascertain that the staff is going to spend the money on a budgeted expenditure approved by the Executive Director.

- Must ensure those given petty cash bring back an authentic receipt approved by the Administrative Assistant with the appropriate account number where the expenditure will be charged.
- The Executive Director's signature on the purchase receipt is evidence that the expenditure is approved by the Executive Director and it is for an expenditure that has been budgeted by the school for this purpose and the goods or services is to be used for a specific school business purpose. The signature also means that there is available balance in the line item to accommodate the expenditure.
- When the staff gives the petty cash holder an authentic purchase receipts approved by the Executive Director, the issuance receipt should be endorsed by the holder as paid and copy of the paid issuance receipt given to the Administrative Assistant. If there is a cash balance returned by the staff it should be reflected on the issuance receipt. The paid issuance receipt should be attached to the purchase receipt.
- When the petty cash is low the holder should fill out the petty cash replenishment form and request for replenishment of the petty cash fund equal to the amount of the purchase receipts in their possession. The total amount of the replenishment and the petty cash on hand should always be equal to the amount originally issued to the holder.

Staff Requesting the Use of Petty Cash:

- Before requesting for petty cash fund staff must make sure that the expenditure is approved by the Executive Director and there is available funds for that expenditure.
- Make sure that a purchase receipt is obtained for the goods or services purchased and the receipt is approved by the Executive Director with the appropriate account number written on the receipt before giving it to the petty cash holder.
- Return any excess cash to the petty cash holder together with the receipt to relieve the staff of the responsibility of the cash originally received.
- Once a staff receives funds from the petty cash holder, the staff is personally responsible for the funds, until they bring back an approved receipt with account numbers plus any left over cash in exchange for a release of liability. This is evidenced by a copy of a paid issuance receipt by the holder of the petty cash.

POLICY NUMBER NINE: FINANCIAL REPORTING REVIEW POLICIES AND PROCEDURES

As part of our internal control procedures, the school will reconcile and review the result of operations to make sure the transactions are charged to the appropriate accounts and that the operations are being executed as planned.

Financial Operations Review-Procedures:

- About the first week of the month through the second week of the month following the end of each month the back office company will reconcile all accounts of the school. In order to do that all deposit and other non disbursement information has to be provide to the company prior to the end of the previous month.
- After reconciling all the accounts include bank reconciliation the Consultant Accountant will prepare all financial reports (Statement of Financial Position or Balance Sheet, Budget report or budget variance report, Statement of Activities and Cash flow actual and

projections) for review by the Executive Consultant. After reviewing the report it will be sent to the School for review.

- On the third week following the end of the month the School Management will meet with the Financial Consultant to review the Financial reports including any narrative and analysis reports and recommendations.
- On the day of the board meeting the Finance Committee will meet to review the financial performance of the school and make recommendation to the board for their adoption or approval.
- It is recommended that the school maintain a reserve equal to at least 10% of its previous year's expenditures.

POLICY NUMBER TEN: PROGRAM CASH RECEIPTS AND DEPOSIT POLICIES AND PROCEDURES

PROGRAM CASH RECEIPTS:

All programs and other pass through payments will be paid to the office and given to the Administrative Assistant periodically for deposit to the bank.

BACKGROUND:

The school will run various programs including meals, after school programs and pass through programs. Checks and cash are usually received at the reception desk for registration for these events.

PROCEDURES:

Responsibilities of the Office:

- Each parent is issued a receipt (original) when payment is made for any of these programs. Parents who have a history of insufficient funds checks (as provided by Financial Consultant) will be required to pay cash.
- Satellite site receipts will be brought to the main office on a daily basis for safekeeping. The Administrative Assistant will include the amounts received from the satellite site (if any) in their balancing of the total receipts for the school.
- Checks and cash are kept in a secured cabinet locked in a box until deposit is made to the bank.
- The checks must be stamped "for deposit only", using the appropriate stamp for the program bank account, to reduce any risk of loss.
- Three staff persons have access to the key so they can retrieve funds for deposit or store funds collected from parents (under no circumstances should this amount be used for any reason except as approved by the Finance Consultant) This amount is not petty cash and therefore should not be used for that purpose. Please use petty cash fund to pay for small emergency items.
- The office prepares deposit tickets on Tuesdays and Fridays, making sure the total amounts on the deposit tickets agree with the total receipts attached (duplicate) and receipts log book. \$100 from petty cash fund will be left in the cash box for the purpose of making change when payments are received from parents.

- Any discrepancy between the deposit tickets and the attached receipts should be noted and reported to the Financial Consultant and the Executive Director so that further investigation can be conducted to resolve the problem.
- The income log must be compared with the incoming attendance and participation log from the program department, to make sure they agree and explain any discrepancies between them.
- The program to be credited with these funds should be noted on the deposit ticket or receipt.
- The receipts and deposit tickets will be given to the Administrative Assistant by 12 noon for deposit to the bank. A copy of the deposit ticket should be made and kept with the office, showing the signature of the Administrative Assistant as evidence that they have received the amounts listed on the ticket.

Responsibilities of the Administrative Assistant:

- The Administrative Assistant will review the whole packet to make sure that everything is completed accurately.
- A copy of the deposit ticket and duplicate receipts are filed in the program deposits file and the original deposit ticket and the funds are deposited at the bank.
- The deposit receipt from the bank must be attached to the duplicate deposit ticket in the program account file.
- Attendance log or report is compared with duplicate receipts for the respective programs to make sure everything agrees, any discrepancy must be investigated and when necessary reported to Financial Consultant or Executive Director.
- By the middle of the month following the end of a month, bank reconciliation is prepared and any “non sufficient funds” checks identified in a separate report. Letters will be written to the issuers of the checks so they can pay the amounts, plus service charge of \$15 per bounced check.
- Each month after the bank reconciliation or when the program is complete, depending on the program, a check will be generated from the program account to our county account or outside vendor depending on the program requirements.
- Adjusting journal entries will be made to reverse the revenue account, replacing it with fees receivable account pending the time the amount is collected from the issuer of the bounced check.
- Prepare a list of insufficient funds check and provide the office and program staff with copies.

Responsibilities of the Program Staff and Office:

- To make sure that all participants of the program have paid their fees.
- Make sure that a report of attendance or participation log is prepared and a copy given to the Office daily, additionally monthly reports should be prepared and a copy given to the Administrative Assistant (all reports and cash counting will be done by two people).
- Any parent who has insufficient funds for more than twice or does not pay previous insufficient funds check will be required to pay cash in subsequent events or programs.

POLICY NUMBER 11. REVOLVING CASH FUND POLICY AND PROCEDURES

The School will maintain a Revolving Cash Fund to accommodate immediate cash needs that will normally not be met by the commercial warrant system. The school will make all efforts to make all payments through the commercial warrants system. Only check requests that are needed immediately due to circumstances beyond our control will be disbursed through this system.

PROCEDURES:

- All requests must be made by a check request, with all the supporting documents for the approval of the Executive Director.
- The request will follow the normal procedures for commercial warrant check requests.
- Poor planning will not qualify as a reason for approving this request.
- Receipts are required immediately after an event for requests of advance deposits.

Executive Director:

- Approval will be made based on the documentation provided and the compelling reasons why the request must be approved.
- No requests should be approved for convenience as these requests create additional burden and work for the school and circumvents the accounting process and may understate our expenditures.
- No approvals should be made without the request coming from budget manager, who checks the budget availability and the urgency for this request.
- The approved request will be given to the Administrative Assistant for processing.

Financial Consultant:

- All approved requests must be disbursed from the Revolving Cash Fund bank account the same day.
- Any request for an RCF check must be directed to the Executive Director.
- Requests should only be entertained from the Executive Director.
- All requests must be checked to make sure all required information is complete before issuing the check. The Executive Director should be alerted if all the necessary information is not complete.
- Make sure there is available balance in the RCF account before issuing any check. This will be accomplished by keeping a running balance after issue of checks and deposit of check to the RCF account.
- Reimburse the RCF no later than the 25th of every month to make certain that the expenditures are recorded in the correct month to void understanding our financial statements.
- Reimbursement of RCF including petty cash must be made to the Executive Director and charged to the respective account numbers already provided before the RCF checks were generated.
- Do not reimburse any RCF check or petty cash without the required receipts, account number and other required documentation.
- At any given time the bank balance, plus un-reimbursed expenditures, plus petty cash given out must be equal to the RCF amount.

Signed, this _____, 2016.

Board President, Center for Advanced Learning

Board Secretary, Center for Advanced Learning