



2024-2025

Fiscal Policies

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# Central Academy of Arts and Technology

## FISCAL POLICIES AND PROCEDURES OVERVIEW

The Board of Directors of The Central Academy of Arts and Technology (CCAT) has reviewed and adopted the following policies and procedures to ensure the most effective use of the School's funds to support the mission and to ensure that the funds are budgeted, accounted for, expended, and maintained appropriately.

1. The Board of Directors formulates financial policies and procedures, delegates the administration of the policies and procedures to the Executive Director, and reviews operations and activities on a regular basis.
2. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts, disbursements, payroll, and reconciliation of bank accounts.
3. The Board of Directors can appoint someone else to perform the Executive Director's responsibilities in the case of absence.

## **ANNUAL FINANCIAL AUDIT**

1. The Board of Directors will annually appoint an Audit Committee by October 1.
2. Any persons with expenditure authorization or recording responsibilities within the School, i.e. Board Treasurer or Executive Director, may not serve on the audit committee.
3. The committee will annually contract for the services of an independent certified public accountant to perform an annual fiscal audit.
4. The audit shall include, but not be limited to:
  1. An audit of the accuracy of the financial statements
  2. An audit of the attendance accounting and revenue accuracy practices
  3. An audit of the internal control practices
5. The audit shall be completed, reviewed by the Board of Directors, and submitted to the County Office of Education, the Office of the State Controller, and the California Department of Education prior to December 15 of each year.

## **PURCHASING OVERVIEW**

### **Purchasing Policies**

1. The School Principal or Executive Director may authorize expenditures and may sign related contracts within the approved budget.
2. Any contract over \$10,000 must first be approved by the Board of Directors.
3. The Board of Directors will review a check register that lists all checks written during a set period of time and includes check #, payee, date, and amount.
4. The School Principal or Executive Director must approve all purchases over \$250.
5. Any individual making an authorized purchase on behalf of the school must provide the School Principal with appropriate documentation of the purchase.
6. Individuals who use personal funds to make unauthorized purchases will not be reimbursed. Authorized purchases will be promptly reimbursed by a bank check upon receipt of appropriate documentation of the purchase.
7. When approving purchases, the School Principal or Executive Director must:
  - d. Determine if the expenditure is budgeted
  - e. Determine if funds are currently available for expenditures (i.e. cash flow)
  - f. Determine if the expenditure is allowable under the appropriate revenue source
  - g. Determine if the expenditure is appropriate and consistent with the vision, approved charter, school policies and procedures, and any related laws or applicable regulations
  - h. Determine if the price is competitive and prudent. All purchases over \$5,000 must include documentation of a good faith effort to secure the lowest possible cost for comparable goods or services
8. In the following procedures, if the School Site Accounting Clerk is unavailable, the Administrative Assistant will act as their designee. If the LinkEd Public Schools Accounting Clerk is unavailable, the Executive Assistant will act as the designee.

## **Purchasing Procedures**

### **Purchase Orders**

1. Purchases of \$250 or more require a completed Purchase Order (PO).
2. Purchase Orders must be submitted to the site account clerk for approval by the school principal or Executive Director.
3. Purchase orders require
  - a. Vendor Quote
  - b. Proper coding
  - c. Adequate descriptions of items being purchased
4. The Principal or Executive Director will review PO for accuracy and approve or reject PO then return it to the accounting clerk.
5. The accounting clerk will notify the authorized purchaser of approval.

### **Credit Cards**

1. Authorized Employees may use a bank credit card to make authorized purchases on behalf of the organization, consistent with guidelines provided by the Board of Directors. Receipts must be turned in to the LinkEd Public Schools Account Clerk one week following the statement end date to substantiate all charges made by the credit card.
2. The credit card will bear the names of LinkEd Public Schools and the authorized user. School Principal, or Executive Director.
3. Purchase on the Credit Card over \$500 requires a Purchase Order.
4. If receipts are not available or are “missing”, a “Missing Receipt form” must be filled out and submitted by the user. Repeated failure to provide receipts may result in disciplinary action.
5. Non-business related purchases are not permitted on the LinkEd Public School Credit Card. See appendix for Credit Card Policy and Acknowledgement

### **PEX Card**

1. Authorized users will be issued a pre-loaded PEX card to make business-related purchases.
2. PEX Purchases must be in alignment with the school budget and used for department-related purchases.
3. Purchases over \$250 must be pre-approved through the purchase order procedure.
4. PEX users must create an account at PEXcardholder.com where all receipts will be uploaded (via the website or phone app) for verification.
5. Receipts must be uploaded no later than 3 days following the purchase. If more than \$250 is spent, the purchase order must also be uploaded.
6. If receipts are not available or are “missing”, a “Missing Receipt form” must be filed out and submitted by the user. Repeated failure to provide receipts may result in disciplinary action.
7. Non-business-related purchases are not permitted on the LinkEdSchool PEX Card. See appendix for PEX Policy and Acknowledgement. All items purchased with a PEX card are property of the school.

## **Vendor Accounts**

1. Authorized Employees may use vendor accounts to make authorized purchases on behalf of the school, consistent with guidelines provided by the Board of Directors.
2. If the order is \$250 or more a purchase order must be submitted to the site Accounting Clerk for approval.
3. The Accounting Clerk will submit a purchase order for Approval.

## **Reimbursements**

1. Employees may be reimbursed for authorized purchases on behalf of the school, consistent with guidelines provided by the Board of Directors.
2. Purchases of \$250 or more must be submitted to the site Accounting Clerk for PO creation and approval before the purchase is made.
3. Once the purchase order is approved the site Accounting Clerk will notify the authorized purchaser.
4. A LinkEd Public Schools reimbursement form will need to be submitted to the site Accounting Clerk with the appropriate documentation.
  - a. Receipt for each requested reimbursement expense
  - b. A signed purchase order if the purchase is \$250 or more

A reimbursement form must be filled out with the appropriate documentation attached and must include the following:

1. Name, date, address, expense detail, and signature.
2. Form is to be completed electronically.
3. Attach a copy of the original receipts for each purchase on the form.
4. Mileage reimbursement requires a description; where did you drive and why?
5. Employee forwards the form to the Accounting Clerk who will review and apply the proper account code to each expense.
6. Principal or Executive Director to review and sign for approval of expenses.
7. The Accounting Clerk forwards the completed reimbursement expense form electronically to CAAT Accounting Clerk for payment.
8. CAAT's Accounting Clerk submits completed and approved reimbursement expense forms in weekly batches for payment.
9. Expenses greater than two months old may not be reimbursed.

## **Contracts**

1. Consideration will be made of in-house capabilities to accomplish services before contracting for them.
2. Office staff will keep and maintain a contract file evidencing the competitive bids obtained (if any) and the justification of the need for any contracts over \$10,000. In addition, CAAT will be provided with either the original or a copy of every signed contract.
  - a. Competitive bids will be obtained where required by law or otherwise deemed appropriate and in the best interests of the school.

3. Written contracts clearly defining work to be performed will be maintained for all contract service providers (i.e. consultants, independent contractors, subcontractors).
  - a. Contract service providers must show proof of being licensed and bonded, if applicable, and of having adequate liability insurance and worker's compensation insurance currently in effect. The School Principal may also require that contract service providers list the school as an additional insured.
4. School Administration will obtain a W9 for any service provider vendor before submitting any requests for payments.
5. The School Principal or Executive Director will approve proposed contracts and modifications in writing, for contracts under \$10,000 that are within the approved budget.
6. Contract service providers will be paid by approved contracts as work is performed.
7. The School Principal, in the case of the absence of the Executive Director, will be responsible for ensuring the terms of the contracts are fulfilled.

## **PETTY CASH PROCEDURES**

1. The School Principal will manage the School Petty Cash Fund. The Petty Cash Fund will be capped at \$500 All petty cash will be kept in a locked Petty Cash Box in a locked drawer or file cabinet. Only the School Principal and School Administrative Assistant will have keys to the petty cash box and drawer or file cabinet. All disbursements will require a completed and signed Petty Cash Slip (see Appendix A). A register receipt for all purchases must be attached to the Petty Cash Slip. A sample Petty Cash Slip is attached to these procedures. The following information is needed to properly complete the Slip:
  - Date
  - Amount of Petty Cash Funds Received
  - Description of Items to be purchased
  - General Ledger Account to be charged (See listing below)
  - Approval Signature (School Principal for School/Executive Director for LinkEd Public Schools)
  - Signature of Individual Receiving Petty Cash Funds
  - Actual Amount Paid for Items (this should match the attached receipt)
2. Petty Cash will only be given to an individual after a Petty Cash Slip has been completed (except for the last line – Actual Amount Paid for Items). The staff member making the purchase will complete the petty cash form. The School Principal will approve the expenditure made for the School. The CAAT Accounting Clerk will verify that the Petty Cash Slip is properly completed and that a proper receipt is attached.
3. At all times the Petty Cash Box will contain receipts and cash totaling \$500A register receipt must support each Petty Cash Slip. The individual using the petty cash to make a purchase is responsible for submitting the receipt for the Petty Cash Slip to the Principal within 48 hours of withdrawing the petty cash.
4. When expenditures total \$300, the Principal will total the disbursements, complete a Petty Cash Reimbursement Form (see Appendix B), and obtain the approval of the School Principal. This should be done on at least a monthly basis. The Petty Cash Slips and supporting receipts will be attached to the Reimbursement Request Form and forwarded to the CAAT finance department. A sample Petty Cash Reimbursement Form is attached to these procedures.
5. Petty Cash Fund reimbursement checks will be made payable to the School Principal, Administrative Assistant or appropriate staff member.



6. Any irregularities in the petty cash fund will be immediately reported in writing to the School Principal. Loans will not be made from the petty cash fund.
7. CAAT will conduct random counts of the petty cash fund.

## **CAAT CREDIT CARD POLICY**

### **Background**

The preferred payment method is through vendor invoices and corporate checks. This method allows for budget compliance and ensures that the organization gets certain discounts. However, in some cases, this is not feasible for a variety of reasons. As such, select people are provided with corporate credit cards.

### **Allowable Uses**

Corporate credit cards are for business purposes only of the entity for which the card is issued (joint purchases related to multiple entities are acceptable). Corporate cards may not be used for cash advances for any reason. Under no circumstances shall a school corporate card be used for the purchase of alcohol. Corporate credit cards are not intended for purchases that can otherwise be paid for using corporate checks. Instead, they are intended for vendors that do not accept corporate checks, purchases during travel, or emergency purchases.

### **Eligibility**

Only personnel specifically authorized by the Executive Director are provided with corporate credit cards. Those authorized must sign a statement that he/she received LinkEdSchool's credit card policy and agrees to abide by its terms.

### **Do's/Don'ts**

- The corporate card cannot be used for cash advances, personal or non-business related purchases or the purchase of alcohol
- Card numbers should not be distributed and should not be saved in online accounts to which others have access.
- The cardholder is responsible for ensuring the credit card purchases are within budget and properly approved.
- Receipts need to be turned in to the Accounting Clerk no later than one week of the closing date of the statement. The credit card statement closes on the 8th of every month.
- Any receipts for meals or entertainment must clearly indicate the names of all persons attending the meal and the business purpose of the meeting.

### **Card Number Security**

The authorized credit card holder is solely responsible for all purchases on the card. The cardholder shall NOT share their card number with anyone. In addition, the credit card should not be stored in an online account that anyone other than the cardholder has access to.

### **Approvals**

All purchases must follow purchasing procedures described above.

### **Statements**

Credit card statements are mailed directly to LinkEd Public Schools.

## **Receipts**

- The credit card holder is responsible for receiving, printing and retaining all receipts related to credit card purchases.
- The authorized cardholder shall label all receipts with a description of what it is for to ensure proper coding by the Accounting Clerk. .
- All receipts must be submitted to the Accounting Clerk within one week of the closing date of their statement. If a receipt is accidentally lost, a missing receipt form will need to be submitted and approved by the Principal for the school site or Executive Director. Please understand that we routinely are audited on our credit cards and thus it is especially important that all food and large purchases are properly documented with the receipt. The site accounting Clerk will submit appropriate documentation to LinkEd Public Schools.

The back-office service provider will submit a monthly credit card cover sheet for the reconciliation of credit card transactions. The Principal or Executive Director will properly assign each credit card transaction the appropriate account code and submit the credit card cover sheet back to the back-office provider.

## **Termination**

Upon the termination of employment of a cardholder for any reason, all cards must be canceled and returned to LinkEd Public Schools, along with any other company-owned items.

## **Policy Violations**

Failure to comply with the credit card policy and guidelines may result in disciplinary action up to and including termination of employment.

## **CAAT PEX CARD POLICY**

### **Background**

PEX is specifically designed as an expense prepaid card for business use only. Funds on deposit in the PEX account are owned by the business and intended for business spending only. While the preferred payment method is through vendor invoices and corporate checks, PEX cards will be utilized for travel expenses, replacement of Petty Cash and reduce out-of-pocket expenses for employees who make regular business purchases.

### **Allowable Uses**

PEX cards are for business purposes only of the entity for which the card is issued (joint purchases related to multiple entities are acceptable). PEX cards may not be used for cash advances for any reason. Under no circumstances shall a card be used for the purchase of alcohol. PEX cards are not intended for purchases that can otherwise be paid for using corporate checks. Instead, they are intended for vendors that do not accept corporate checks, purchases during travel or emergency purchases.

### **Eligibility**

Only personnel specifically authorized by the Executive Director are provided with PEX cards. Those authorized must sign a statement that he/she received CAAT's PEX card policy and agrees to abide by its terms.

## **Do's/Don'ts**

- The PEX card cannot be used for cash advances, personal or non-business-related purchases or the purchase of alcohol.
- Commingling of business and personal transactions/purchases are prohibited.
- PEX card numbers should not be distributed beyond the cardholder's designee and should not be saved in online accounts to which others have access.
- The cardholder is responsible for ensuring the PEX card purchases are within budget and properly approved.
- Receipts need to be submitted to the PEX app or online.
- Any receipts for meals or entertainment must clearly indicate the names of all persons attending the meal and the business purpose of the meeting.

## **Card Number Security**

The person whose name is on the PEX card is solely responsible for all purchases on the card and for ensuring that their PEX card number is not used by anyone other than the cardholder. As such, the cardholder shall NOT share their card number with anyone.

## **Loss or Theft of the Card**

Report immediately to the Accounting Clerk if you suspect PEX card information has been stolen, lost, or otherwise misused.

## **Approvals**

All purchases with PEX cards are to be approved by their Manager. No purchases shall be made for amounts that are not included in the budget.

## **Statements**

PEX card statements are mailed directly to the LinkEd Public Schools.

## **Receipts**

The PEX cardholder is responsible for receiving, printing, retaining, and uploading all receipts related to their PEX card purchases. This includes receipts related to online purchases and restaurant purchases. The cardholder shall label all receipts if they are submitted manually. If receipts are uploaded on the PEX app or online, a description must be written in the note field. A description is mandatory for every purchase made by the PEX card user, this is to ensure that proper coding is used by the finance department. All receipts must be uploaded to the system within 3 days after purchases. If a receipt is accidentally lost, a missing receipt form will be submitted. Please understand that we routinely are audited on our PEX cards and thus it is especially important that all food and large purchases are properly documented with the receipt.

## **Termination**

Upon the termination of employment of a PEX cardholder for any reason, all cards must be canceled and returned to the LinkEd Public Schools, along with any other company-owned items.

## **Policy Violations**

Failure to comply with the PEX card policy and guidelines may result in disciplinary action up to and including termination of employment.

## **BANK ACCOUNTS**

Any accounts opened under the name of LinkEd Public Schools or CAAT must have signers set up as follows:

<b>Signer Number:</b>	<b>Position of Signatory:</b>	<b>Authority Type:</b>	<b>Limit Amount (Rs.)</b>
<b>1</b>	<b>Board President</b>	<b>Singly</b>	<b>Up to any amount</b>
<b>2</b>	<b>Executive Director</b>	<b>Singly</b>	<b>Up to any amount</b>

### **Bank Checks**

1. The authorized signers on the LinkEd Public Schools checking account(s) include the Board of Directors President and the Executive Director. The Board of Directors President and Executive Director may sign alone on checks for any dollar amount.
2. The Board of Directors will be authorized to open and close bank accounts.
3. The Executive Director has the ability to sign manual checks for emergency situations. Blank checks will be kept under lock and key.
4. Checks may not be written to cash, bearer, or petty cash.
5. Under no circumstances will any individual sign a blank check.
6. The back-office service provider, will record the check transaction(s) into the appropriate checkbook and in the general ledger.
7. The back-office service provider, will distribute the checks as follows:
  - a. Original – mailed to payee or returned to the LinkEd Public Schools to mail to the payee.
  - b. Duplicate or voucher – attached to the invoice and filed by vendor name by a LinkEd Public Schools employee
  - c. Voided checks will have VOID written in ink and filed in a secure place.

### **Bank Reconciliation**

1. Bank statements will be downloaded monthly by the back-office service provider. Bank statements are reconciled monthly and reviewed by the back-office service provider's client manager for accuracy.
2. The back-office service provider will compare the reconciled bank balance to the cash in the bank account and to the general ledger, immediately reporting any material discrepancies to the Board President, Executive Director and the School Principal.

## **ACCOUNTS PAYABLE**

### **Bill Payment Procedures**

1. Each purchase of \$250 or more requires a completed Purchase Order (PO).
2. The site Accounting Clerk is responsible for coding each invoice with the appropriate accounting code.

3. Invoices are reviewed for accuracy, proper approval and coding by the Accounting Clerk, and uploaded to the back office service provider by the LinkEd Public Schools Accounting Clerk for processing. The back office service provider processes AP batches within five business days of receipt and informs the check signor (Executive Director or Principal) when the invoice approval report is ready for review/approval. Executive Director or Principal reviews invoice approval reports and informs the back office service provider via accounting software when items are approved for payment.
4. Back office service provider processes payments and distributes checks via mail. The back office service provider also provides a monthly check register of payments released.
5. Back office service provider client manager reviews general ledger and expense coding and recommends corrections when identified.
6. Accounting Clerk/Food Service Director/Facility Manager responsible for checking off that items have been received and inventoried, if applicable.

### **Check Request Voucher**

The Check Request Voucher (see Appendix C) is to be used when someone other than a LinkEd Public Schools staff member or vendor is requesting reimbursement. Examples of this may be making a refund to a parent or reimbursing a Parent Advisory Group member for expenses incurred.

1. Claimant completes Voucher with date, dollar amount of request, name, address and reason for reimbursement request. The claimant must provide receipts.
2. Principal or Executive Director to review and approve the request.
3. If Parent Advisory Group-related expense, reimbursement must be pre-approved (before making expenditure). Parent Advisory Group President and Treasurer to sign/approve in addition to Principal.
4. Approved Vouchers and any receipts will then be forwarded to the back-office service provider and submitted during the weekly batch for payment.

### **Volunteer Expenses**

1. All volunteers will submit a LinkEd Public Schools reimbursement form to the Accounting Clerk for approval.
2. Only items with prior written authorization from the School Principal will be paid/reimbursed.

### **Travel and Mileage Overview**

Staff travel must be pre-approved by the Principal or Executive Director. LinkEd Public Schools strongly encourages the use of travel discounts when making travel arrangements.

Reimbursement will be made as quickly as possible after the completed Expense Reimbursement Requests and necessary receipts are submitted for payment.

### **Travel-Related Expenses**

Lodging expenses will be reimbursed at reasonable, single occupancy (unless doubling up with a

second employee) or standard business rates. Travelers are expected to obtain the lowest available airfare that reasonably meets business travel needs. Employees will be reimbursed for overnight stays at hotels/motels when pre-approved by an administrator and the event is more than 50 miles from either the employee's residence or the school site.

First-class airfare will not be reimbursed. The Principal must pre-approve all out-of-town travel for school staff. The Executive director must pre-approve all out-of-town travel for the Principal or other LinkEd Public Schools/CAAT staff.

Employees will be reimbursed at the established per diem rate for any breakfast, lunch, or dinner that is not included as part of the related event. The per diem rate for School Year 2023-2024 will be \$65.00. This amount includes meals and incidentals, like service tips or snacks, for each full day of travel. 75% of the normal per diem rates are generally issued for your first and last day of travel.

After the trip, the employee must enter all of the appropriate information on a reimbursement expense form and submit it to the School Principal or Executive Director for approval and then on to the Accounting Clerk for processing. Trip-related expenses can be put on a PEX card, or done through a reimbursement

### **Mileage Expenses**

Mileage will be reimbursed at the current IRS Mileage Rate which is updated on January 1<sup>st</sup> of each year. Mileage will be reimbursed for the distance traveled, less the distance from the employee's residence to the school site for each direction traveled. CAAT will update the mileage rate at the beginning of each year and distribute to all staff members via email.

## **ACCOUNTS RECEIVABLE**

1. Documentation for school expenses will be maintained for accounts receivable and forwarded to LinkEd Public Schools.
2. Accounts receivable will be recorded by the back-office service provider in the general ledger and collected on a timely basis.

### **Cash Receipts Procedures (Cash/Check/Credit Card)**

Cash receipts represent the collection of cash, checks or credit card payments for any purpose by school personnel.

1. The Accounting Clerk will manage all Cash Receipts at the school site.
2. All cash receipts will be kept in a locked drawer or file cabinet or in the school's safe.
3. The Accounting Clerk and Office Manager will have keys to the drawer or file cabinet.

Cash receipts to be locked in Safe at night.

4. The Accounting Clerk will record all cash or checks brought into the school office in the appropriate receipt book at the time the cash or check is collected. Each receipt shall be completed, in duplicate, with the following information:

- i. Date
- ii. Amount received
- iii. Type: cash or check
- iv. Student/Grade

v. Description

5. The top copy is to be returned to the person bringing in the cash/check. All cash and check purchases must also be recorded on the Cash/Check Receipts Reconciliation Form (see appendix E).

6. When a merchant services terminal is used to make a payment via a credit card, the customer will be given a receipt and a second receipt will be submitted with the Credit Card Receipt Reconciliation Form (see Appendix F). There is a legal requirement to keep these receipts for a total of 3 years after the date of the charge. Credit card receipts will be held at the school site for audit and storage.

7. The Accounting Clerk will be responsible for auditing merchant services receipts to monthly statement/transaction listing.

8. Mail received at the school must be sorted, stamped and opened as soon as possible.

i. For any cash or checks received in the mail, the Accounting Clerk Will prepare a deposit packet itemizing the amount, source, and purpose of each payment, with a designated office staff member counting the funds and verifying this in writing.

ii. For each fundraising or other event in which cash or checks will be collected, a Volunteer Coordinator will be designated, who will be responsible for collecting and holding all cash and checks for the purpose of the fundraising activity.

iii. The appointed fundraiser coordinator will record each transaction (cash and/or checks) in a receipt book at the time the transaction is made, with a copy of the receipt (top copy) provided to the donor. Make and retain a copy of any and all order forms.

iv. The cash, checks, copy of order forms (if applicable), receipt book, and cash/check receipt form must be given to the Accounting Clerk by the end of each school day. The Cash/check Receipts Reconciliation form must have a verification signature before the form is given to the Accounting Clerk. The Accounting Clerk will immediately put the funds in a secure, locked location.

v. The Accounting Clerk will count the deposit and verify the amount for a second verified signature on the Cash Receipts Reconciliation Form and place the deposit in a locked deposit bag. Deposits totaling greater than \$2,000 will be deposited within 24 hours by the LinkEd Public Schools Accounting Clerk. Deposits totaling less than \$2,000 will be made weekly by CAAT. All cash will be immediately put into a lock box or school safe.

vi. Accounting Clerks will send deposits to the LinkEd Public Schools Accounting Clerk weekly using the locked deposit bags. Two staff members of the CAAT office will verify the amount before making a bank deposit.

9. The Accounting Clerk or Office Manager will be responsible for deposits.

### **Adult Lunch/Student Uniform Deposits**

1. All cash/receipt procedures (Steps 1 through 5 above in Cash Receipt Procedures) are to be followed. Deposits are to be completed on a weekly basis. Deposited funds will be verified by two school employees. CAAT staff will be responsible for picking up, verifying, and depositing lunch and Uniform deposits following previously discussed procedures. Persons verifying funds will continue to sign for verification.

## **FINANCIAL REPORTING**

1. In consultation with the School Principal and Executive Director, the back-office service provider will prepare the annual financial budget for approval by the Board of Directors by June 30<sup>th</sup> for the upcoming fiscal year.
2. The back-office service provider will submit a monthly balance sheet and monthly revenue and expense summaries to the School Principal and Executive Director, including a review of the discretionary accounts and any line items that are substantially over or under budget. The report will be reviewed at the scheduled Board of Directors' meeting and action will be taken, if appropriate.
3. The back-office service provider will provide the School Principal and Executive Director and/or Board of Directors with additional financial reports, as needed.

## **LOANS**

1. The Board of Directors will approve all loans from third parties. In the case of a long-term loan, approval may also be required from the charter-granting agency in accordance with the terms of the charter petition and/or other lenders in accordance with the loan documents.
2. Once approved, a promissory note will be prepared and signed by the Executive Director and the Board Treasurer before funds are borrowed.
3. Employee loans are not allowed.

## **FINANCIAL INSTITUTIONS**

1. All funds will be maintained in the County Treasury or at a high-quality, federally-insured commercial bank or credit union.
2. All funds will be maintained or invested in high-quality, short-maturity, and liquid funds.
3. Physical evidence will be maintained on-site for all financial institution transactions.

## **INSURANCE/ASSETS**

### **Insurance**

1. CAAT will work with the School Principal to ensure that appropriate insurance is maintained at all times with a high-quality insurance agency.
2. CAAT will maintain the files of insurance policies, including an up-to-date copy of all certificates of insurance, insurance policies and procedures, and related claim forms.
3. CAAT will carefully review insurance policies on an annual basis, prior to renewal.
4. Insurance will include general liability, workers' compensation, student accident, professional liability, and directors and officers coverage. Supplementary coverage will cover the after-hours and weekend activities. Coverage will be in line with the limits listed in the school's approved charter petition.



## **Capitalized Expenses and Inventory**

### **Capitalized Expenses**

All furniture and equipment costing \$5,000 or more each should be recorded as a fixed asset and depreciated annually. A fixed asset is defined as all items, purchased or donated, with a value of \$5,000 or more and with a useful life of more than one year.

If purchased in bulk over the \$5,000 threshold, these items may also be deemed capitalized. For capital assets that are required as a “group purchase” whose individual acquisition cost is less than the \$5,000 threshold, it will be capitalized if the aggregate amount is \$5,000 or above. A “Group Purchase” is defined as an acquisition of 5 or more units of the same, identical item being made using a single requisition. In addition, the purchase of the assets serves a specific location or objective.

### **Non-Capitalized Expenses**

No equipment costing less than \$5,000 each should be depreciated. However, non-capitalized equipment that is motorized, electronic, or computerized should be added to the fixed asset inventory system for fiduciary purposes only so that its existence can be verified during the annual physical inventory process.

No furniture items costing less than \$5,000 each should be added to the fixed assets inventory system.

### **Personnel**

1. The School Principal, in coordination with the Executive Director and Director of Operations, will be responsible for all new employees completing or providing all of the items on the Employee File Checklist.
2. An employee’s hiring is not effective until the employment application, form W-4, form I-9, and ID verification forms have been completed.
3. A position control list will be developed during budget season. CAAT will notify the Board of Directors of any variances to the position control throughout the year.

## **PAYROLL POLICIES AND PROCEDURES**

Pay Periods are semi-monthly. All paychecks will be distributed on the 15<sup>th</sup> and last business day of the month. Paychecks are available via payroll check or directly deposited into individual employees’ checking or savings accounts.

### **Payroll Policies**

- All hourly employees of CAAT are required to submit a timesheet, which must be received by the Site Administrative Assistant, by 10 A.M. on the first day following the end of the pay period.

- All additions or changes in payroll must be approved by the employee's supervisor and submitted to the Site Administrative Assistant who will forward them to the HR Department. The employee must sign for all changes.
- No advances on salaries or loans to employees will be made. Discrepancies will be resolved using the regular employee grievance procedure as described in CAAT's personnel policies and procedures.
- Payment to all employees will be based on the approved timesheets.
- Paychecks or paycheck stubs will be available on payday which falls on either the 15<sup>th</sup> and last day of the month. Employee's checks will not be given to anyone except the employee unless written consent has been sent to the Director of Operations in advance of the payroll.
- A new employee will not be put on payroll prior to completing a W-4 Form and an I-9 Form.
- All payroll will be done on a computerized system. Currently, CAAT's payroll is done by Paylocity Payroll Service.

## **Payroll Procedures**

- Every hourly employee will complete and submit a signed individual time sheet showing hours worked, sick time, vacation time and holiday time taken.
- Each supervisor will review for accuracy and sign time sheets. All time sheets are to be sent to the Administrative Assistant for approval and signature.
- The Director of Operations will send an updated master timesheet to the Office Manager to complete. This should be sent before the 15<sup>th</sup> and last business day of the month and includes Weekends(WKD) and Holidays (HOL).
- The timesheet is due back to HR on the first work day after the pay period.
- Once the spreadsheet is received from the Administrative Assistant, the HR department will transfer each employee's hours into the Paylocity Payroll Spreadsheet and send it to the back-office provider.
- Yellow Cells indicate a release day or paid sick leave used. Grey cells indicate a non-pay absence. This information will be used to reconcile with absence tracking.
- The Director of Operations will verify the total number of employees paid, gross total for all employees and gross total for each employee match on both spreadsheets.
- Once the back-office provider has entered payroll from Payroll Spreadsheet, reconcile numbers for every employee. If there are any mistakes, inform Edtec to correct them. Once the payroll data is correct, Executive Director will sign off and final approval is given to EdTec to send to Paylocity to process.
- If an employee has not yet enrolled for direct deposit, the payroll check will be available at the CAAT campus every payday.
- Payroll deductions will be made for F.I.C.A., Federal and State Income Taxes, applicable health benefits and any other amounts required by State or Federal law. These accumulated deductions will be submitted to the proper entity on or before their due date.

- An accounting of deductions will be given to the employee as part of the payroll documentation. Employees are instructed to verify that the deductions are correct and maintain their pay stubs.

## **Overtime**

- Advanced approval in writing by the authorized supervisor is required for compensatory time and overtime.
- Overtime only applies to classified/non-exempt employees and is defined as hours worked in excess of eight (8) hours in a working day. Any hours worked in excess of an employee's regular work schedule must be pre-approved by the supervisor unless it is prompted by an emergency. Unauthorized overtime work may warrant disciplinary action up to and including termination of employment. Overtime will not be granted on a routine basis and is only reserved for extraordinary or unforeseen circumstances. If a supervisor identifies a recurring need for overtime in any given position, the supervisor should immediately consult with the School Principal for further guidance.

## **Record Keeping**

1. The Director of Operations will monitor all requests for paid or unpaid time off through our HR system.
2. The Director of Operations will immediately notify the School Principal if an employee exceeds the accrued sick leave or vacation pay, or has any other unpaid absences.
3. All employees have access to our HR system to track the time off requests they individually have made throughout the year.

PETTY CASH SLIP-SAMPLE

<p><b>Petty Cash Slip</b></p> <p>Date: _____</p> <p>Amount Received: \$ _____</p> <p>For: _____</p> <p>_____</p> <p>Account: _____</p> <p>Approved By: _____</p> <p>Received By: _____ Amount</p> <p>    Paid: \$ _____</p>
<p><b>Petty Cash Slip</b></p> <p>Date: _____</p> <p>Amount Received: \$ _____</p> <p>For: _____</p> <p>_____</p> <p>Account: _____</p> <p>Approved By: _____</p> <p>Received By: _____</p> <p>Amount Paid: \$ _____</p>

## Acknowledgment of Credit Card Policy

I, \_\_\_\_\_, acknowledge receipt of, understand, and agree to abide by the terms of the CAAT's Credit Card Policy.

1. Use of your credit card is limited to the following:
  - a. Purchases within the approved budget that are under \$250 unless accompanied by a Purchase Order.
  - b. School-related out-of-town travel and expenses incidental to the out-of-town travel. LinkEd Public Schools credit cards may not be used for personal expenses under any circumstances. If a credit card holder uses a LinkEd Public Schools credit card for personal expenses, he or she must immediately reimburse the School.
2. A receipt is required for all charges, regardless of the amount or type of the charge. A brief description of the charge is required.
  - a. Regardless of amount of charge, the following information must be on all receipts or noted on statement:
    - b. Payee
    - c. Date
    - d. Amount
    - e. Description
    - f. Budget Category to be Charged
    - g. Approval Signature
  - h. Failure to follow these guidelines may result in loss of your credit card and may be grounds for termination.

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**Employee Signature & Date**

## Acknowledgment of PEX Card Policy

I, \_\_\_\_\_, **acknowledge receipt of, understand, and agree to abide by the terms of the CAAT's PEX Card Policy.**

Use of your credit card is limited to the following:

- a. Purchases within the approved budget that are under \$250 unless accompanied by a Purchase Order.
  - b. School-related out-of-town travel and expenses are incidental to the out-of-town travel. LinkEd Public Schools PEX cards may not be used for personal expenses under any circumstances. If a PEX card holder uses a LinkEd Public Schools PEX card for personal expenses, he or she must immediately reimburse the School.
1. All PEX card purchases must be supported with appropriate documentation.
    - a. PEX Card holders must submit a receipt for every PEX card transaction no later than the third business date of the transaction.
    - b. Must provide a purchase order, if applicable.
  2. All PEX card users must keep track of their account balance.
    - a. If a PEX user requests an increase of funds, a PEX fund request form must be filled out and approved by the principal or Executive Director.
    - b. Increases will only be considered if ALL receipts have been uploaded to the PEX user PEX account.
  3. Receipts must be uploaded on the PEX app or online.
  4. Each receipt must be submitted with the following information or noted on the PEX user account:
    - a. a. Payee
    - b. b. Date
    - c. c. Amount
    - d. d. Description
  5. If the PEX card is used at a restaurant, an itemized receipt must be submitted.

### PEX Card Policy Employee Acknowledgement

I hereby acknowledge that I have received a copy of the PEX Card Policy and Procedures. I have read this policy and procedure and clarified any questions regarding its provisions. I understand that as a cardholder I am responsible for all charges incurred on the PEX card. I agree to comply with all the requirements contained therein and understand that appropriate disciplinary action will be taken if I am found in violation of the policy and procedures. Restitution of improper charges will apply.

**Employee Name:** \_\_\_\_\_

**Signed:** \_\_\_\_\_ **Date:** \_\_\_\_\_



**CHECK REQUEST VOUCHER**

**Date:** \_\_\_\_\_ **Amount:** \$ \_\_\_\_\_

**Payee:** \_\_\_\_\_

**Mail to Payee or CAAT**  
**(if payee-include address)** \_\_\_\_\_

**Reason for Check Request** \_\_\_\_\_  
\_\_\_\_\_

**Approved By:** \_\_\_\_\_  
**Executive Director or Principal**

\_\_\_\_\_  
**Board Treasurer**

\_\_\_\_\_  
**Board President**

Office use only	
<b>Date Issued:</b>	<b>Check # Issued:</b>
<b>Budget Line Item:</b>	<b>Class Code:</b>
<b>Invoice</b> <input type="checkbox"/>	<b>Reimbursement</b> <input type="checkbox"/>





# Credit Card Receipts Reconciliation Form

Date: \_\_\_\_\_ Submitted By: \_\_\_\_\_

Date of transaction	Last 4 numbers of credit card	Approval code	Description	Amount
<b>Credit Card Total:</b>				

First Verification: \_\_\_\_\_

Second Verification: \_\_\_\_\_

Foundation Verification: \_\_\_\_\_ / \_\_\_\_\_

