



SECTION V: BUSINESS AND TECHNOLOGY POLICY 5080

Treasury Policy and Procedures

Authorization and Approval

School Board must authorize the opening of a bank account. The School Treasurer and at least one board member are the signatory / agents for all Academy bank accounts. Two signatures are required for all expenditures. Cash balances shall not be reduced below zero.

Public fund balances over \$250K must be insured (collateralized).

Checks outstanding and unpaid for a period of one (1) year shall be declared void, included as receipts and removed from the outstanding check listing unless state escheatment treatment is required. Any adjustments to cash, such as the write-off of old outstanding checks, must be approved by the Head of School.

Upon termination or change in job responsibility of a check signer the bank authorized signatures must be updated immediately. The Head of School will review the bank authorized signatories semi-annually and confirm review to Regional Finance Manager. Head of School will also review access to PayPal accounts.

Debit cards issued on school bank accounts are not authorized.

Purchasing Card (P-Card) expenses must be approved and reconciled monthly. P-Cards can only be used in the situation where it has been confirmed that it is not possible to use a Purchase OrderAccess to P-Cards will be limited and managed by the Head of School or School Encumbrance Clerk. School credit card and P Card limits require an approval to be increased by Regional Vice President and Board.

Pay Pal Accounts may be established through the Regional Finance Managers to manage incidental student activities (summer school tuition, field trips, events etc.) where absolutely necessary. The accounts must be tracked through the General Ledger and follow the standard monthly account reconciliation and review process.

Custodial and Security Arrangements

The Operations Manager maintains custody of the school check stock. A board member maintains custody of the starter check stock. Access to check stock is separated from those with the ability to sign checks. Check stock is stored in a secure/locked area. A record of the check sequence supplied is kept by the Board Treasurer.

Checks voided for any reason are maintained by School Treasurer. The signature section is marked out or removed and the reason the check was voided is noted on the check

Petty cash funds are not allowed; however, where necessary, cash fund should not exceed \$500. A log of cash expenditures must be kept by the school administrator and reconciled prior to any replenishment.

Source: ISOK Board Policy adoption 8/12/2014

Revised 11/17/2016

Revised 5/7/2020

Accounts Receivable

Deposits of state student funding and federal grants should be routed to automatically deposit into the school bank account. A copy of all backup documentation for direct deposits must be sent to K¹² Shared Services by the Ops manager / Department Head.

Use of a bank lockbox for payment is highly encouraged. Cash should not be sent directly to the school. In the limited cases where checks are received by the school the following process must be followed:

- Office Manager opens mail and maintains a ledger of all checks received. The ledger is forwarded monthly to K¹² Shared Services. Payments are also documented in a carbon copy receipt book.
- Checks are deposited into the school bank account by the Ops Manager or Head of School within one day of receipt if over \$100 in total; within one week if under \$100 in total. The Ops Manager provides a copy of all deposit backup documentation to K¹² Shared Services.

Monthly Bank Reconciliations

Bank reconciliation are performed and reviewed monthly for all bank and PayPal accounts. Bank statements must be available to K¹² Shared Services through online access (view only) or by hard copy from the school.

Bank reconciliations are performed by K¹² Shared Services and include a beginning cash balance, listing of cleared checks/payments, deposits/credits, un-cleared checks/payments, deposits/credits and the ending cash balance. All variances are researched and explained

The bank reconciliation, with a copy of the bank statement, is included in the monthly financial pack and reviewed/approved by the Head of School.

Bank reconciliation is also completed by the school treasurer in Wen-Gage for Fund 11 and by the School Activity Custodian for the Activity Fund and reported to the board at each regular board meeting.

All PayPal deposit and payment activity must be provided to K¹² Shared Services for accounting purposes. Accounts must be reconciled on a monthly basis by K¹² Shared Services and be reviewed / approved by the Head of School. Reconciliation must include a tie out of funds deposited and expenditures paid to remaining PayPal balance.