



FINANCIAL POLICIES AND PROCEDURES

MAY 2018

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Accounts Payable and Check Payment Policy

WIA shall maintain segregation of duties by adhering to the following guidelines:

- The Administration will ensure there is a primary check authorizer (Payer) with additional authorizers available in the event the primary authorizer is unavailable for an extended period.
- The Administration will ensure there is an approval process for invoices and accounts payable. The approver (Authorizer) must be someone other than the person who enters the invoice (Creator) or the one that processes the invoice for payment (Payer).
- The Administration shall ensure payments are issued by the billing due date.

Administering Procedure:

Purpose:

1. To provide detailed steps for processing invoices for payment.
2. To provide detailed steps for processing check payments.

Responsible Party:

1. Bookkeeper (Creator/Payer)
2. Executive Director (Primary Approver - Hardcopies)
3. Executive Assistant (Secondary Online Approver)
4. Check Authorizer (Payer)
5. Chief Financial Officer (BillPay Manager, Proxy for Creator, Approver and Payer when necessary)

Systems/Forms Used:

- Quickbooks accounting system or Bank of America BillPay platform
- Vendor invoices (hardcopies)
- Bill (classification once an invoice is input into the BillPay system)
- ACH Payments or Traditional Check Payments via BillPay
- Positive Pay file upload (only applicable with in-house paper check payments)

Step	Responsible Party	Procedure
1	Creator (token required)	Reviews and preps invoices (hardcopies) for validity: <ul style="list-style-type: none"> • Verifies purchases has been received (collects track slip if applicable) or services rendered • Matches invoice to PO# (if applicable) • Codes invoices with correct Account# and Class/Program# • Inputs invoices into QBO or BillPay to create a "Bill"
2	Primary Approver (no token required)	<ul style="list-style-type: none"> • Reviews (hardcopy) invoices for approval • Asks questions for clarity if necessary and holds invoices that require additional back-up • Approves invoices for bill payment. Invoices MUST be signed if approved.
3	Secondary Approver (token)	<ul style="list-style-type: none"> • Approves invoices in BillPay online (if applicable).

	required)	<ul style="list-style-type: none"> Online approval can ONLY be completed if the hardcopy invoice has been signed by the Executive Director or Proxy (Primary Approver).
4	Payer (token required)	<ul style="list-style-type: none"> Matches approved bills in BillPay with actual hardcopy invoices Determines desired pay date Processes all approved bills for payment
5	Creator or BillPay Manager	Generates a "Bills Paid" report (QBO) for all payments made that day and sends report to the ED.
6	Bookkeeper	Files all "PAID" invoices in vendor files.

**Note: The Chief Financial Officer, as the BillPay Manager, can approve and pay bills as a proxy for the Executive Director.*

Cash Reserve Policy

WIA shall segregate 45 days of working capital in a separate bank account and designate the funds as Cash Reserves (Rainy Day Fund). The funds **MUST** meet the following criteria:

1. The Cash Reserve balance is calculated and adjusted annually based on the audited operating expenses of the prior fiscal year. These expenses exclude one-time special items or programs.
2. The Cash Reserve balance **MUST** represent uncommitted and unencumbered funds.
3. The use of Cash Reserves for emergencies, unplanned expenses or deficit funding requires BOD approval.
4. Operating with a Cash Reserve balance that is less than the 45 day threshold requires BOD approval.

Purpose:

1. To determine and maintain a Cash Reserve fund for Emergencies and unplanned expenses.

Responsible Party:

1. Chief Financial Officer
2. Executive Director
3. Finance Committee
4. Board of Directors

Processes and Systems Covered:

1. Estimating, updating and revising the annual Cash Reserve balance
2. Reallocation of Cash Reserves for emergencies, unplanned expenses and deficit funding

Steps	Responsible Party	Procedures
1	CFO, ED, FC	<ul style="list-style-type: none"> • During May of each year estimate the upcoming year's Cash Reserve balance for the purpose of developing the upcoming year's budget. • During October of each year, determine the baseline operating expense from the prior year (audited) and calculate the actual year's Cash Reserve requirements. • Present Cash Reserve requirements to the Finance Committee for review, alignment with current budget and approval.
2	BOD	<ul style="list-style-type: none"> • Adopt revised Cash Reserve balance as part of the budget
3	CFO	<ul style="list-style-type: none"> • Transfer funds to, or from, the Operating Account to the Cash Reserve account to maintain required balance.
4	CFO, ED, FC, BOD	<ul style="list-style-type: none"> • If Cash Reserves are required for operational emergencies, unplanned expenses or deficit funding, the request to reallocate funds MUST be reviewed by the CFO/ED, approved by the FC, and then approved by the BOD.

Managing Incoming Cash, Checks and Money Orders Policy

The WIA Administration shall create a procedure to manage incoming cash, checks and money orders that ensures:

- All money received by WIA has a corresponding receipt back to the payer.
- Cash is managed in a secure manner.
- All cash is turned into the Administrative office by close of business, daily.
- Any tax-deductible contributions to the school are tracked such that a payer may request an end-of-year statement for their tax returns.
- At least two staff personnel review all incoming payments.
- At least two counts occur on all incoming payments.

Administering Procedure:

Purpose:

1. To provide detailed steps for managing all manual forms of payment.

Responsible Party:

1. Teacher or Responsible School Employee receiving payment
2. Business Manager/Bookkeeper

Systems/Forms Used:

1. Receipt Book (to be issued by the school)
2. Secure Tamper Resistant Deposit Bags (to be issued by the school)
3. QuickBooks (QB)

Steps	Responsible Party	Procedures
1	Teacher/Staff Member	<ul style="list-style-type: none"> • If <u>cash, checks or money orders</u> are received for payment you MUST provide a written school receipt to the payer and keep a copy of the receipt for school records. • The receipt MUST be properly dated and signed by the issuer and include the name of the Payer when possible. • <u>On the day of payment collection, all cash, checks, money orders and receipts MUST be sealed in secure deposit bag.</u>
2	Teacher, Staff Member, Business Manager/Bookkeeper	<ul style="list-style-type: none"> • At the end of each business day all <u>cash, checks, money orders and receipts MUST be verified</u>. This includes counting funds and reconciling with receipts. All funds are then sealed in a tamper resistant deposit bag. • The bag MUST be filled out correctly and include the signature of the Employee. Funds are only considered verified if there is an Employee Signature on the Deposit Bag. PLEASE KEEP YOUR "DEPOSIT BAG RECEIPT" WITH YOUR RECEIPT BOOK. • All verified funds MUST be delivered to the Business Manager/Bookkeeper the day of verification. Students should NEVER be asked to make deposit deliveries for any reason.

3	Business Manager/Bookkeeper	<ul style="list-style-type: none">• The Business Manager/Bookkeeper will aggregate all deposit bags for the purpose of making bank deposits. This will be done at least once weekly.• During aggregation, deposits will be cross referenced with verified funds before making a bank deposit. <u>All deposit discrepancies will be noted and communicated back to the Teacher or Staff Member of record for follow-up.</u>• All deposit transaction will be booked in Wesley's accounting system (QB) once deposits are acknowledged by the bank.
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My Payments Plus Policy

WIA Administration shall manage an online school payment process that ensures:

1. Teachers and Administrators can collect payment for events online.
2. Parents can securely pay for school products and services online.
3. Parents can retrieve historical payment data through their online accounts.
4. Administration can securely and accurately allocated collected funds to specific groups

Administering Procedure

Purpose:

1. To provide detailed steps for utilizing and managing the My Payment Plus merchant platform.

Responsible Parties:

1. Staff Member
2. Bookkeeper (BK)
3. Principal/AP/Director
4. Chief Financial Officer (CFO)

Systems/Forms Used:

1. My Payments Plus (MPP) online merchant platform

Steps	Responsible Party	Procedures
1	Staff Member	<ul style="list-style-type: none">• Submits approved request for field trip or other activity/service to BK for posting on MMP
2	Bookkeeper	<ul style="list-style-type: none">• Creates funding codes consistent with budgetary, fundraising of Grant requirements.
3	Bookkeeper/Staff Member	<ul style="list-style-type: none">• Will check MMP to make sure all product/service are input correctly.
4	CFO	<ul style="list-style-type: none">• Reconciles (monthly) all deposit activity made through MMP for the bank-rec.

Bank Reconciliation

WIA's Finance Committee will ensure financial management compliance through thorough monthly reviews of all school bank statements and bank reconciliation reports.

Administering Procedure

Purpose:

1. To review and approve the school's bank records for financial management compliance.

Responsible Parties:

1. Chief Financial Officer
2. Executive Director
3. Finance Committee
4. Treasurer

Systems/Forms Used:

1. Bank Statements
2. Bank Reconciliation Reports
3. ACH Vendor List
4. Monthly Deposit Report
5. Monthly Expense Report

Steps	Responsible Party	Procedures
1	CFO	<ul style="list-style-type: none">• Complete Bank Rec and close the monthly books
2	CFO/ED	<ul style="list-style-type: none">• Review Bank Rec with ED for approval
3	CFO/ED/Treasurer	<ul style="list-style-type: none">• During the monthly FC meeting, The ED and CFO will present the Bank Statements, Bank Rec Reports, ACH Vendor List and Monthly Deposit/Expense Reports to the committee.• Upon the completion of a satisfactory review, the Treasurer will approve the Bank Rec and sign-off on the <u>Month-End Financial Closeout Checklist</u>.
4	Treasurer	<ul style="list-style-type: none">• If there are any material issues (unapproved spending or misappropriation of funds) revealed during the Bank Reconciliation review, the Treasurer will promptly communicate all concerns to the BOD and appropriate action will be taken.

Travel Abroad Field Trip Stipend Policy (Domestic and International Trips)

Eligible stakeholders:

- All full-time educators, who have been employed by WIA for at least 3 academic years and are currently employed as a full-time **Teacher, Instructional Coach, Counselor or Para Pro** under a 10 or 11 month WIA Employment Contract.

Who is not covered under this policy:

- 12 month employees
- Part-time 10 or 11 month employees
- Non instructional support employees (office, business, HR)
- Full time educators with less than 3 years of WIA seniority

Policy Objective:

To fairly compensate employees who volunteer their time as chaperones for student field trips that occur outside of normal contracted days. A typical qualifying field trip may include the following:

1. Field trip occurs during holidays, school breaks or summer vacation and is off contract.
2. Field trip is over multiple consecutive days and nights.
3. Field trip requires monitoring and supervision of WIA students at all times.

Professional Development trips do not qualify as field trips; therefore they are not covered under this policy.

Stipend Compensation:

If an employee is eligible for a chaperone stipend his/her stipend amount will be calculated as follows:

1. HR will calculate a modified daily pay rate (MDPR) that is equal to an employee's regular monthly pay divided by 30 days (Annual Salary/12 months/30days). The modified daily pay rate (MDPR) will be used to determine an employee's total stipend amount for a qualifying field trip.
2. Leadership will determine the number of qualifying field trip days for each chaperone.
3. The minimum chaperone stipend will be calculated by multiplying the employees MDPR by the number of qualifying chaperone field trip days.

Example:

- Jane Doe's annual salary is \$40,000
- Her MDPR is \$111.11/day
- Her approved chaperone days are 5
- Her minimum stipend payment is \$555.55
- Jane will receive her entire chaperone stipend on the next pay period closest to the start date of the field trip.

All chaperone stipends MUST be approved by the HR Manager and Executive Director.

I have read and understand the WIA Travel Abroad Field Trip Stipend Policy

Employee Signature/Date

Wesley International Academy –

Travel Abroad Field Trip Stipend Policy (Worksheet)

Employee (Chaperone) Name	
Field Trip Name/Grade	
Field Trip Dates	
Field Trip #Days	
Lead Chaperone's Name	
Employee MDPR (\$)	
Calculated Stipend (\$)	
Additional Stipend (\$)	
Total Stipend (\$)	
Date of Stipend Release (PR)	
Employee Signature/Date	
HR Manager Signature/Date	
Executive Director Signature/Date	
<p><i>File Original Signed Policy and Worksheet in the Employee's PR File Provide a Copy of the Policy and Worksheet to Employee</i></p>	