

Adopted: 01-18-2016

Revised: 09-20-2018, 2/17/2022, 3/17/22

ROCHESTER BEACON ACADEMY-RBA
POLICY No. 301
SEGREGATION OF DUTIES

I. PURPOSE

The purpose of this policy is to establish internal controls that will enable RBA to properly safeguard its assets and to comply with state and federal laws.

II. POLICY STATEMENT

It is the policy of RBA to have internal controls that will adhere to Generally Accepted Accounting Principles, and applicable mandates of state and federal law.

III. BANKING AND CASH MANAGEMENT

- A. Bank accounts. The Executive Director, Treasurer and Business Manager shall be designated as parties authorized to open bank accounts on behalf of RBA. All banking documents shall require the signature of at least two of these individuals.
- B. Check preparation. The Business Manager shall be responsible for preparation of all checks. Checks for an amount in excess of \$300 shall be signed by two of the following: the Office Manager, Treasurer, Executive Director or Business Manager
- C. Deposits, withdrawals and transfer of funds. The Office Manager, Executive Director and Business Manager shall be responsible for all deposits, withdrawals and fund transfers. Specific policies regarding electronic fund transfers are contained in Board Policy 304
- D. Blank checks. The Business Manager and Executive Director shall be the custodian of all blank checks.
- E. Reconciliation. The Business Manager shall reconcile cash and bank transactions monthly.
- F. Petty cash. The Office Manager shall be responsible for management of petty cash. The Office Manager shall ensure that the receipts and cash in the petty cash fund are equal to the total value of the petty cash fund.

IV. PAYROLL AND RELATED LIABILITIES

- A. Timekeeping. The Executive Director, in consultation with the administrative team shall establish procedures for employee timekeeping. Those procedures shall be presented to the Board annually for its review and approval.
- B. Payroll. The Executive Director shall contract with a payroll vendor approved by the Board. The Business Manager and/or vendor shall establish and implement policies regarding appropriate disbursement of payroll to bona fide employees, record payroll disbursements accurately, and will develop an adequate system for necessary payroll taxes and other withholdings. The Executive Director and Business Manager shall be responsible for ensuring that the payroll vendor adheres to the policies established and those policies shall be reviewed by the Board annually.

V. FIXED ASSETS

- A. Purchases.
 - 1. Conformity to budget. All purchases shall be demonstrably related to activities and functions identified in the annual budget.
 - 2. Purchases over \$1,000.00 Purchases over \$1,000.00 must be either in the approved budget or approved by the board in a separate vote.
- B. Inventory. The Executive Director or designee shall ensure that an appropriate inventory of all fixed assets is maintained showing description, date purchased or received and cost or fair market value. The assets shall be compared to the inventory annually and an annual report shall be made to the Board regarding inventory.

VI. GRANTS, DONATIONS

- A. The Executive Director, Business Manager or Office Manager shall establish a procedure for recording all monetary contributions and shall maintain documentation of such contributions.
- B. All grants, gifts and donations shall be administered in accordance with Board Policy 205.

Legal References: Minn. Stat. § 124E.16 (Charter Schools – Reports)