
PROGENY ACADEMY

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POLICY #701: Segregation of Duties

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I. PURPOSE

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

II. POLICY STATEMENT

It is the policy of Progeny Academy Charter School 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 and Board Chair shall be designated as parties authorized to open bank accounts on behalf of Progeny Academy Charter School. All banking documents shall require the signature of these two individuals.
- B. Check preparation. The Financial Officer shall be responsible for preparation of all checks. All checks shall be signed by the Executive Director.
- C. Deposits, withdrawals and transfer of funds. The Executive Director and Financial Officer shall be responsible for all deposits, withdrawals and fund transfers.
- D. Blank checks. The Financial Officer shall be the custodian of all blank checks.
- E. Reconciliation. The Financial Officer shall reconcile cash and bank transactions monthly.
- F. Petty cash. The School Director shall be responsible for management of petty cash. The Financial Officer 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 payroll vendor officer shall establish policies for employee timekeeping. Those policies shall be presented to the Board annually for its review and approval.

B. Payroll.

The Executive Director shall contract with Designs for Learning, a payroll vendor, approved by the Board. The 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 shall be responsible for ensuring that the payroll vendor adheres to the policies established and those policies shall be reviewed by the Board as needed.

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 \$10,000. All purchases over \$10,000 shall receive prior approval from the Board.

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.

VI. GRANTS, DONATIONS

A. The Executive Director 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.

Legal References: Minn. Stat. §124E.16 (Charter School Law/Auditing Requirements)

ADOPTED: October 16th, 2021
REVIEWED/REVISED: