

VIRTUAL PREPARATORY ACADEMY OF OKLAHOMA, INC.

TREASURY POLICY AND PROCEDURES

Authorization and Approval

The Board of Education (the "Board") of the Virtual Preparatory Academy of Oklahoma (the "School" or "Academy") 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 the Board Chair. Head of School will also review access to any other public fund accounts.

Debit cards issued on school bank accounts are not authorized without Board approval.

Purchasing Card (P-Card) expenses must be approved and reconciled monthly. Access to P-Cards will be limited and managed by the Head of School subject to Board approval and Board policies. School credit card and P Card limits require Board approval.

Custodial and Security Arrangements

The Head of School 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 funds should not exceed \$500. A log of cash expenditures must be kept by the school administrator and reconciled prior to any replenishment.

TREASURY POLICY AND PROCEDURES (continued)

Accounts Receivable

Deposits of state student funding and federal grants should be routed to automatically deposit into the school bank account.

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:

- Head of School or designee opens mail and maintains a ledger of all checks received. The ledger is forwarded to the Treasurer and Encumbrance Clerk as requested. 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 the School Treasurer and Encumbrance Clerk as may be requested.

Monthly Bank Reconciliations

Bank reconciliations are performed and reviewed monthly for all bank accounts. Bank statements must be available through online access (view only) or by hard copy from the School.

Bank reconciliations are performed by School Treasurer 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, the School Treasurer, and Board.

Bank reconciliation is also completed by the School Treasurer for Fund 11 and by the School Activity Custodian for the Activity Fund and reported to the Board at each regular board meeting.