

Adopted: January 8, 2015  
Revised: August 13, 2018  
Reviewed: May 8, 2023

## **COMMUNITY OF PEACE ACADEMY POLICY No. 7.1 SEGREGATION OF DUTIES**

### **I. PURPOSE**

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

### **II. POLICY STATEMENT**

It is the policy of Community of Peace Academy 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 the District Business Manager shall be designated as parties authorized to open bank accounts on behalf of Community of Peace Academy. All banking documents shall require the signature of these two individuals.

B. Check preparation. The off-site contracted Financial Management agency shall be responsible for preparation of checks. Checks may be written on site only in the event of an immediate need. Checks written on-site for an amount in excess of \$1,000 shall be signed by the Executive Director and the District Business Manager.

Deposits, withdrawals and transfer of funds. The Executive Director and District Business Manager, or a delegated staff member, shall be responsible for all deposits and fund transfers. Specific policies regarding electronic fund transfers are contained in Board Policy 7.3.1.

C. Blank checks. The District Business Manager shall be the custodian of all blank checks.

D. Reconciliation. The off-site contracted Financial Management agency shall reconcile cash and bank transactions monthly.

### **IV. PAYROLL AND RELATED LIABILITIES**

A. Timekeeping. The Executive Director, in consultation with the contracted Human Resources Consultant, shall establish policies for employee timekeeping.

B. Payroll. The Executive Director shall contract with 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.

## **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 \$5,000. All purchases over \$5,000 shall receive prior approval from the Board.
3. The Board of Community of Peace Academy delegates authority to the Executive Director to authorize purchased in excess of \$5,000 in the event of an emergency to address an immediate need, when convening a Special Meeting of the Board is not feasible.

B. Inventory. The Executive Director or designee shall ensure that an appropriate inventory of equipment that is mobile and of perceived value to others is maintained, for insurance purposes in the event of a loss. The inventory shall include, but is not limited to, technology equipment, furniture, and custodial equipment, and will document description, date purchased or received and cost or fair market value.

## **VI. GRANTS, DONATIONS**

- A. The Community Engagement Specialist 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 2.6.

**Legal References:** Minn. Stat. §124E.16 subd. 1(a) (Charter School Law, Audit Report)